Daily Report

Latin America

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FBIS-LAT-91-060 *28 March 1991*

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Cuba

Restrictions on Leaving Country May Be Lifted

PA2803130791 Paris AFP in Spanish 1032 GMT 28 Mar 91

[Text] Havana, 28 Mar (AFP)—Cuban President Fidel Castro said Wednesday night that Cuba will gradually permit more and more Cubans to travel abroad and migrate. Asked by AFP during a reception in the honor of a delegation of French senators, Castro said: "We are considering the possibility of permitting any person more than 18 years of age to make round-trips to any country."

Carlos Aldana, secretary of the Communist Party of Cuba's Central Committee, who was asked about this a little while later, said the process will have been completed by the end of the year.

It was confirmed in Havana that the Cuban migration services have been taking the proper measures in this direction for several months. Castro said that these measures depend simply on a government's decision and that Cuba is already permitting any person with a foreign visa to leave the country.

The possibilities for Cuban citizens to travel abroad were expanded recently when the minimum age for a person to be permitted to leave Cuba was dropped to 40 years for men and 35 for women. Every month, thousands of Cubans travel to the United States to visit relatives living in Florida.

The Cuban leader commented: "This is proof of our maturity." He added that now it is the United States "that is concerned," and he is right. For months, there have been many warnings in the United States about the danger of a wave of illegal Cuban immigration.

'Inconsistencies' of U.S. Policy Discussed

FL2703132891 Havana Radio Rebelde Network in Spanish 0000 GMT 27 Mar 91

[Commentary by Lazaro Barredo: "Inconsistencies of the U.S. Policy Toward Cuba"]

[Text] Two Western news agency dispatches regarding Cuba, issued at the same time in the United States, are circulating the world's newsrooms. After reading them carefully any serious analyst would ask, what is this? Because they, my friends, show the notable inconsistency of the policy of the ruling U.S. Administration toward our island nation.

For example, one of those dispatches reflects the displeasure of U.S. Government officials regarding the influence Jeb Bush, son of the U.S. President, has over his father as a mediator of the most recalcitrant counterrevolutionary groups in Florida that want the President to step up his actions against Cuba arguing that human rights violations are committed here.

What moves this father's son to carry out this frantic lobbying? It is not patriotism, of course, but an open business move motivated by pure politicization. Jeb Bush aspires to become a congressman. To achieve his political ambitions he wants to sympathize with reactionary groups in the community to obtain votes. The officials are concerned about the meddling of the dauphin. Perhaps they notice this new phenomena, in which, with the euphoria of a new world order, an unusual dynastic modality is emerging in a representative democracy in the taking of certain decisions.

The other dispatch, issued in Washington, is curious. It is sort of the other side of the coin. It reports remarks made by Bush administration officials to the TIMES [not further identified] magazine. They are concerned about Cuba's decision to reduce the age restrictions to those who want to travel abroad, especially to facilitate the reencounter of relatives in the community.

What then? Is it what really worries them that the effects of this decision neutralizes their arsenal of slanders? This concern is understandable. Of course, the encouraged illegal exits are much more spectacular and fit for propaganda. Little attention is paid to the fact that the Cuban Government has granted almost 40,000 exit permits to citizens of the country who, nevertheless, do not receive the appropriate visas from other countries. Little attention is paid to the fact that serious and responsible steps are being taken on the island with the intention of favoring family reunions. This does not fit the anti-Cuban xenophobia.

Trapped in their hysterical intentions of denigrating Cuba, they show to the world that, with such inconsistencies in their policy, the U.S. leaders do not have the will to pave the way to find certain solutions to the problem. This harms their followers.

These things do not make us lose sleep here. No matter what they say, we will continue with the idea of making the first law of the Republic the cult of Cubans of giving man his full dignity. This does not admit any negotiation.

Outcome, Participation in Soviet Referendum Noted

FL2703153791 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 27 Mar 91

[Report by Daisy Gomez in Moscow; date not given—recorded]

[Text] The referendum held in the USSR on Sunday 17 March shows the support given by the majority of the Soviets to the continuation of the Union on the basis of citizens' equality. In analyzing the results, it is necessary to take into account that this support is given in the midst of the difficult circumstances this enormous and complex country composed of over 100 nationalities is experiencing.

Close to 80 percent of the eligible voters went to the polls in spite of the economic and political instability seen in this society. This was noted a few days ago by Vladimir Orlov, chairman of the state commission organizing the referendum. This fact confirms that a large percentage of the citizens see the conservation of the Union as the best way to solve the current difficulties.

In my opinion, it is significant that in the Kuzbass Basin, where the situation was very tense at the time of the plebiscite because of repeated calls for strikes, close to 70 percent of the voting population participated and the same percentage of voters favored the Union.

The stoppage has been extended there and in other coal mining regions and has taken the mining industry to the verge of collapse. The seriousness of the conflict motivated an order from the Soviet parliament to suspend the mining strikes for two months. This legislative body is entitled, by law, to take this action.

Added to the miners' social and economic demands have been political demands instigated by forces which are trying to take advantage of the labor unrest for its own benefit. A situation that also tends to get more complicated can be observed in the last few days in the Russian Federation's leadership spheres. Almost 70 percent of those who participated in the plebiscite voted for the institutionalization of the post of president in that republic.

The political polarization in the Federation's parliament regarding this and other matters is such that its sessions were interrupted last Saturday. A group of 29 deputies of this legislative organ asked the Union's central authorities for protection because of the threats of elements who are becoming aggressive in this confrontational atmosphere.

Evidence of this is that several rallies organized by the Democratic Russia Bloc and other movements have been announced for Thursday 28 March. This coincides with the beginning of the special congress of popular deputies of the Russian Federation which we intend to report for you. Thank you very much.

Health Official Notes Medical Aid to USSR

FL2603214591 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 26 Mar 91

[Text] Our country can supply more than $600 million in medicines and equipment to the Soviets, according to what Jorge Antelo, Cuban first vice minister of public health, reported today in Moscow. The vice minister noted that more than 3,000 children, victims of the Chernobyl tragedy, and about 400 Afghanistan veterans have received medical treatment in Cuba. In several regions in the USSR, such as the Ukraine and Leningrad, Soviet and Cuban specialists are working together. The USSR supplies us with high-technology equipment for cancer treatment, the second cause of death in Cuba, and also vaccines and other medicines.

In the exchange with the press it was said that many letters from all over the USSR and other countries are sent to Radio Moscow from people interested in receiving medical treatment in Cuba. Antelo reported that the ministries of public health of Russia, the Ukraine, and Belorussia have evaluated the care provided by Cuba to the children affected by the Chernobyl accident as very beneficial. Right now these three federated republics are making arrangements to send more children to our country.

Group of Soviet Children Arrive for Treatment

FL2703190091 Havana Radio Progreso Network in Spanish 1725 GMT 27 Mar 91

[Text] Another group of Soviet children affected by the Chernobyl nuclear disaster arrived in Havana over the last few hours. These adolescents will receive specialized medical attention in the capital. At the Jose Marti Pioneer City, the Chernobyl children will be medically examined by specialists to determine what type of treatment they will receive.

Health Cooperation With Andean Group Stressed

FL2703185091 Havana Radio Progreso Network in Spanish 1725 GMT 27 Mar 91

[Text] Peruvian Health Minister Nazario Roman Almendariz [title as heard] has asserted that our country has been an example of cooperation with the Andean countries. According to Dr. Roman Almendariz, Cuba is a natural leader in providing aid to countries that have suffered earthquakes, epidemics, and other disasters such as the outbrakes of dengue and cholera. Dr. Nazario Roman said this in Havana during an ceremony marking Cuba's entrance into the (Hipolito Unanue) Agreement. Cuba will provide cooperation in the health-care field to the Andean Group countries.

Labor Leader Notes Significance of May Day

FL2703141991 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 27 Mar 91

[Text] The Cuban Workers Federation [CTC] has announced the activities with which the CTC and national labor unions are planning to mark May Day.

Pedro Ross Leal, secretary general of the CTC and chairman of the National Commission organizing May Day festivities, reported that this occasion is of special importance because it is almost around the corner from the party's fourth congress.

He also stressed that the anniversaries of the Union of Young Communists; Pioneers; and the 80th anniversary of the birth of Lazaro Pena, captain of the working class, will also be celebrated within the framework of the Cuban workers' greatest festivity.

[Begin Ross recording] What we want to make clear on this 1 May is that we will not give up a single inch of the

road we have traveled so far, with its virtues and defects. We want to continue cultivating the virtues and rectifying the mistakes. We will not give up the revolution, socialism, and those achievements. This will be the primary message of our working class, of our workers, and all our people throughout the country on this May Day. [end recording]

The other members of the National Commission in charge of heading and organizing the festivities were presented during the meeting. The festivities will be extended to each neighborhood across the country and each working center because of the great revolutionary significance this May Day has for our working people.

Citizens Request Political Asylum in Venezuela

PA2703190591 Madrid EFE in Spanish 0205 GMT 27 Mar 91

[Text] Caracas, 26 Mar (EFE)—It was reported today that two Cuban dentists who worked in the Republic of Guyana have requested political asylum in Venezuela.

The state-owned Venpres Agency cited Salvador Romani, president of the Cuban Patriotic Council in Venezuela, as the source of the report. The report stated that Ernesto Tena and his wife Martha Gonzalez are currently at the Directorate of Intelligence and Prevention Services (DISIP) installation and will remain there until all the asylum procedures have been met.

After rendering their professional services in the Republic of Guyana for two years, as part of a bilateral health assistance agreement with Guyana, the couple decided to not return to Cuba.

To cross Guyana, the Cuban couple traveled on a ship for seven days. They traveled from the Atlantic coast to the Venezuelan border, approximately 1,000 km to the southeast of Caracas.

Country Joins Institute of Naval Engineering

FL2703181291 Havana Radio Progreso Network in Spanish 1725 GMT 27 Mar 91

[Text] Cuba has joined the Pan-American Institute of Naval Engineering to exchange information in all fields of maritime navigation. According to Engineer Antonio Villasol, technical sciences doctorate candidate, the institution encourages its members to gain more information regarding all aspects of maritime transportation and naval engineering.

Risquet Presides Over Anti-Apartheid Ceremony

FL2703183091 Havana Radio Progreso Network in Spanish 1725 GMT 27 Mar 91

[Text] Politburo member Jorge Risquet has presided over the main ceremony marking the 15th anniversary of the expulsion of South African troops from Angolan territory by the Angolan Liberation Armed Forces and Cuban internationalists.

Angolan Ambassador to Cuba Luis Paulo de Castro and Adolfo (Han), chairman of the Anti-Apartheid Committee of Cuba, stressed the importance of that event which preceded Cuito Cuanavale which, in turn, forced the racists to the negotiating table.

Cultural Delegation in Guadeloupe for 'Cuba Week'

FL2603220391 Havana Tele Rebelde Network in Spanish 1800 GMT 26 Mar 91

[Text] Invited by the Jose Marti Center and the Cuba-Guadeloupe Friendship Association, the Cuban delegation which is to participate in Cuba Week in this Caribbean country has been here in Pointe-a-Pitre, Guadeloupe, since last weekend. The event, which will begin on 27 March, has been supported by the Cuban Institute of Friendship With the Peoples. A musical delegation made up of singers Esperanza Aides and Jose [name indistinct], as well as the [name indistinct] and Patria groups, will perform in various towns.

An art exhibit will also be opened in Petit Canal Commune, and economist (Eduardo del Llanes) will give a lecture on the rectification process in Cuba. Local media—the press, radio, and television—have reported on the visit, which they generally consider a necessary meeting between our cultures. The Jose Marti Center, which organized the event, was founded 20 years ago and is currently headed by writer (Michel Bangou), an active promoter of friendship and cooperation between our two nations.

Ontario Makes Donation for Pan-American Games

FL2703212091 Havana Radio Reloj Network in Spanish 2034 GMT 27 Mar 91

[Text] The government of Ontario Province, Canada, has donated $80,000 for the 11th Pan-American Games in Havana in 1991. The gift was made during a visit to Canada by a Cuban delegation made up of, among others, Alberto Juantorena, a 1976 two-time Olympic champion in Montreal and vice president of the National Institute for Sports, Physical Education, and Recreation.

* Distribution, Quality of Produce Discussed

91CA0086A Havana TRABAJADORES in Spanish 9 Feb 91 p 2

[Article by Eloy Concepcion]

[Text] The system of distribution and sale of root and other vegetable produce in the capital city lends itself to mistreatment of the products delivered to its population; and in some shopping centers, the pawing and mangling they receive at the hands of the consumers themselves add to a further impairment of their quality.

During our visit to several markets and stands in four municipalities, we were able to verify that some of the system's mechanisms are hindering instead of aiding efforts to improve distribution.

A market, for example, can find itself with surplus quantities of, say, cabbage, watercress, cucumbers, or other vegetables on hand, which simply end up as spoilage. In spite of this, however, food dispensing establishments, for their part, are unable to channel such surpluses to their customers because, according to Rafael Hernandez, manager of the Pastora y Zambrano Selected Fruits Market, "By the time the check has been written, the bank account number annotated, and all other formalities completed, the merchandise has spoiled.

Root and vegetable produce for the capital city is channeled through the two Acopio [National Collection Union] enterprises, one for each of Havana's provinces.

The products are put through a lengthy process during which they undergo checks against models, samplings to evaluate quality parameters, various weighings, etc.

The politico-administrative separation measure gave rise to the creation of Acopio's two enterprises, and, implemented mechanically, this measure does not always work out to the benefit of the distribution of products in the capital.

This is the basic fact that must underlie any analysis of today's situation and of the situation we will be facing in the coming months, when production will increase considerably.

Shrinkage or Spoilage?

The term used by the administrators of produce markets and fruit and vegetable stands, and by Acopio officials, to account for the produce sold and not sold is "shrinkage"; we prefer to call it spoilage.

This so-called shrinkage masks what is actually spoilage that has nothing whatever to do with such factors as may logically be expected to damage some products for reasons not attributable to human beings.

Here are sample observations made in different produce markets:

- In Cerro's Lista 9 market, out of 5,045 pounds [lbs] of yucca received in one day, 3,000 lbs were lost through spoilage; of 200 lbs of parsley, 57 lbs ended up as spoilage; and of 5,500 lbs of cabbage, 1,325 lbs were lost in this manner.
- Pastora y Zambrano received 3,046 lbs of yucca and lost 1,046 lbs; and 1,116 lbs of lettuce, of which 577 lbs were lost. In both cases, the cause was spoilage.
- Of 920 lbs of lettuce received in San Bernardino's produce market on 10 October, 467 lbs were lost through spoilage.

With yucca, the complaint is all pervading. Spoilage reaches the point where, in some cases, such as actually occurred in the Pastora y Zambrano market, trucks are not even unloaded; they are sent directly to the piggery for feed.

"The quality of yucca we receive from the Ciudad Deportiva warehouse is very bad," said the administrators of several markets. "It arrives dirty, and here we clean it and grade it. Add to that the fact that the yucca has been harvested a number of days prior to delivery and then people split it to see if it is good."

Rafael Hernandez added: "The best thing would be for it to come directly from the fields. That way, we would be wasting almost nothing."

Oreste Diaz, of the San Bernardino market, affirms that spoilage sets in when delivery of the yucca is delayed.

He cites lettuce as an example: "Every day, 10 quintals [460 kg] of lettuce are sent to us, and today, the truck will arrive at 1200 hours. There are problems in Parraga's Warehouse 8, which is our supplier. It seems that, there, the produce is not being processed so as to avoid losses. Thus, the enterprise is "benefiting," and we suffer the losses.

One problem, he points out, is the behavior of the customers. They split the yucca; they even insert a knife into the squash, "plug" the melons, and remove the tops of the pineapples—all so as to be sure they are good.

Uncertainty: When Does the Truck Arrive?

The produce market hours are from 0800 to 1300 and from 1600 to 1900. This means that it is during those hours that the products are received.

At one point in time, the markets opened up at night, after being advised of a plan to schedule deliveries after 1900 hours, with the noble aim of supplying the markets before the start of business in the morning. This initiative failed, and no one knows why.

And now, the produce pays the penalty. In addition to the rigors of the sun (lettuce and watercress included) and the punishment inflicted on it by the men as they throw the bags and boxes about, small stands are filled to overflowing with cabbages, without the least thought given to the number of consumers the stand could possibly be expected to serve.

We also saw that some markets are supplied regularly with certain products, while other markets do not receive them. In one instance, for example, lettuce was going to waste in the San Bernardino market, while, as of 10 October, Centro Habana's Desague y Subirana market had received no lettuce whatever for more than 10 days. The same thing happens frequently with oranges, chives, watercress, tomatoes, and cabbage.

"The trucks do not have scheduled arrival times, and generally show up precisely at noon or in the afternoon, causing an uproar in the markets that prevents orderly

and efficient handling of sales," affirms Juan Luis Perdomo, market administrator of Lista 9 in Cerro.

The general opinion is that it would be ideal to receive the produce in the evening after the close of business with the public, so that the market could open in the morning with the produce prepared, on display, and ready for sale. But most of the persons interviewed questioned whether Acopio is equipped to provide this type of service. Some of those interviewed felt that an even better solution would be direct delivery of most of the products, with in-house processing by the market itself, using the experience it already has in this regard. The question, when posed, elicited encouraging responses from many of those interviewed.

Acopio has enough facilities in the capital city to process the produce, if it is delivered direct from the fields. Installations that we might cite among others in this respect include those that Acopio has near Ciudad Deportiva, in the old Carlos III market, and in the Parraja warehouse.

With the produce distribution centers and new stands able to take over this task, there is sufficient capacity and experience in the capital to improve the quality and distribution of the produce arriving to be sold.

Considering what has already been accomplished as regards the sale of juices in the markets and food dispensing establishments, the government authorities and Acopio could certainly reach an agreement which, by reducing to a minimum the necessary bureaucratic red tape, would enable food dispensing establishments to channel to the public the products that for one reason or another are not bought by customers in the marketplace, thus avoiding their loss through spoilage and the resultant wait for the arrival of the piggery trucks to haul them off.

We are confident that just as, step by step, we are winning the battle of production, so too will we succeed in distributing what we produce, at an improved level of quality that favors the consumer and yields a higher return on our work in the fields.

Haiti

Unions Discuss Demands With President Aristide

FL2703202191 Port-au-Prince Radio Nationale in Creole 1400 GMT 27 Mar 91

[Excerpts] The president of the country, Father Jean-Bertrand Aristide, met with several unions from the private and public sectors yesterday morning at the National Palace for the first time since he came to power. All demands were brought up for discussion. The president asked the unions to organize themselves and promised to find a quick solution to the problems they are facing. Jean-Marie Ferari was there. Let us listen to his report.

[Begin recording] [Ferari] Today, Tuesday 26 March 1991, for the very first time since he came to power, President Jean-Bertrand Aristide met with unions from several sectors, both private and public. Of the unions represented, we can quote EDH [Electricity Authority of Haiti], ONA [National Office for Retirement Insurance], APN [National Port Authority], Ciment d'Haiti [the Haitian cement company], Industrial Park, Teleco [Telephone Company of Haiti], and so on.

All presented their demands to the president. Although some of the demands concerned poor administration, bad management, and (?misused) funds, the demands of the Sans-Fil Teleco unionists primarily concerned objections to the appointment of Pierre Lyssade as head of their institution. They also asked for elimination of a number of positions, including assistant general manager and all other assistant positions, so that the state's money can stop being wasted. [passage omitted]

On that score, the president of the country suggested that the Sans-Fil Teleco unionists hold a meeting for all concerned parties: minister, director, and employees. Finally, to the satisfaction of the unionists, the president volunteered to participate personally in that meeting. After he had heard everyone's demands, the head of state proposed quick intervention on the dossiers of all the unionists. [passage omitted]

In summary, the president asked all the unionists to organize and to eliminate division. He invited the unionists to meet with the appropriate ministries to discuss their particular problems in a more leisurely fashion. According to the president, when a union is well-organized, it has more strength. [passage omitted]

Finally, President Jean-Bertrand Aristide told the unionists that he would like them to be a well-organized force the next time he meets with them. In the meantime, we recall that this is the first meeting between the country's head of state and the unions. [end recording]

Former Namphy Government Officials Arrested

FL2703204991 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 27 Mar 91

[Text] Both former Major Isidor Pognon and the former information minister of the Namphy government, Antony Virginie Saint-Pierre, have been arrested by the police. They are waiting for the court to call them. These two citizens have bad reputations.

Former Major Isidor Pognon is reputed to be a head of the zenglendos. He was the Fort-Dimanche commander for a relatively long period, distributing weapons galore to anyone, to do what is called "government work." The former major's name is also known for corruption in the issuance of false driver's licenses at the Vehicle Traffic Service while he was heading this service. His name is connected to the alleged assassinations of young people in Carrefour-Feuilles while former Generals Henry Namphy and Williams Regala were leading the country.

Isidor Pognon is also suspected in the slaughter in front of Fort-Dimanche on 26 April 1986.

Public opinion regards Antony Virginie Saint-Pierre as the brains behind the authoritarian regimes exercising power over the past few years. Many people remember the memorandum that they accuse him of preparing for the Namphy government to put an end to all organizations, including peasant groups, labor unions, and even political parties. Up to now, Antony Virginie Saint-Pierre has never denied these accusations which created such an uproar in the country.

Ministers Discuss Economy at News Conference

FL2603234591 Port-au-Prince Radio Nationale in Creole 1400 GMT 25 Mar 91

[Report on news conference by Finance Minister Marie-Michele Rey, Commerce and Industry Minister Smarc Michel, and Planning Minister Renaud Bernardin by Jean-Marie Ferari at the National Office for Industrial Production in Port-au-Prince on 22 March]

[Excerpts] The high cost of living, the economic situation in the country, and reforms to be made within the public administration were the major topics discussed at a news conference held by three ministers of the Aristide-Preval government: Commerce Minister Smarc Michel; Finance and Economy Minister Marie-Michele Rey; and the Planning and External Cooperation Minister Renaud Bernadin. What the ministers essentially said at the news conference was: if the inheritance is very heavy, we are working as hard as we can to get the country out of the situation it is now in.

According to the commerce minister, the high cost of living problem is very complex, but measures and solutions are already being studied to solve this problem. Although the economic situation is a headache, the government is striving to redress the situation, according to the finances minister. What measures and reforms will be undertaken in the short, middle, and long term to save the country? Jean-Marie Ferari, who attended the conference, tells us what was said.

[Begin Ferari recording] [passage omitted] Regarding the high cost of living, Commerce Minister Smarc Michel said that it is a very complex problem and that since January the essential food products, that were already expensive, became even more expensive. The commerce minister cited three products as examples of how complicated the problem is. The examples were rice, refined sugar, and cement.

According to the commerce minister in November a sack of rice sold for $44 in November. It dropped to $42 in December, and was sold for $40 in February. In the middle of the month of February, however, its price increased to $48. Mr. Michel said that the price of rice was dropping during that time while no further stock was coming in. The rice being sold was from the same inventory that was previously available. From February until the present, the price rose to $45 while still no stock has come in. To correct the situation, the commerce minister has revoked all import licenses and says the licenses have started out on a new basis.

The minister asserted that the same situation existed for refined sugar. It is sold for $48 to $50 now, while it did not cost more than $39, and—even if the minister orders it now—it will not cost more than $39. Even if internal fees and transportation are included, it is not a product to be sold for more than $44, even though it is now being sold for $48 to $50, he added.

The commerce minister thinks that cement is the biggest problem. It sells for $5.4 at the Haiti Cement Company. If people import it and pay customs duties and taxes, which are not much, it should still not cost more than $5.8. It is therefore a product which should be sold for $6.5 at the most, but it is nevertheless being sold for $11, $12, $14. What is the matter? Is there not enough cement on the market? If there is not enough, why is there not enough? All these questions were considered, the minister said. [passage omitted] Mr. Michel announced that the law controlling and supervising prices will be applied to prevent products from becoming too expensive. [passage omitted]

He discussed the formation of an investigative committee to investigate pricing, product by product, especially such items as milk, fertilizers, tools, machetes, hoes, medicines, books, and school fees. They are also conducting studies on rents, fees for baptismal certificates, death certificates, justice-of-the-peace fees, and so on. The commerce minister noted that we are going through a very difficult transition and that if everybody makes an effort we will easily overcome it.

Regarding the economic situation in the country, the finance minister, Mrs. Marie-Michele Rey, sees it as a big headache. [She said] the current economic situation is primarily the result of a tradition of mad expenses. The economic official of the government said that the state had been spending money whether it had the means for those expenses or not. The expense budgets always represent much more than the investment budgets in the country. [passage omitted]

According to the finance minister, at the end of January we had a deficit of 48 million gourdes [$9.6 million], but at the end of February the avalanche [lavalas] government managed to reduce the 48 million gourdes to 36.8 million gourdes [$7.36 million]. The minister informed us that expenses incurred for the 1989-1990 fiscal year, but paid in 1991, represented 43.5 million gourdes [$8.7 million].

This means the budget was already in deficit and that 75 percent of the money was allocated for the previous year. The avalanche government therefore found itself in a catastrophic situation. To correct the situation, the Aristide-Preval government has decided to limit expenses and eliminate all fees they have discovered. They will

implement the law despite opposition to increase fiscal receipts. Everybody must pay their proper taxes and duties. [passage omitted]

The finance minister concluded by saying that several zombie checks [checks written to the order of someone who does not really exist, or to someone who is not really a state employee, usually cashed by corrupt government officials] have already been recovered, and that free competition will be respected. The government, which has a debt of $800 million, and arrears of $19 million, asks that everyone join hands so that the country can move ahead.

Planning and external cooperation minister, Renaud Bernadin, discussed public function, planning, and external cooperation. What especially caught our attention was his mention that although there are many positive signs from abroad, we are, in the meantime, winning. [passage omitted]

Planning Minister Bernadin talked about many other subjects, such as the administrative mess and zombie checks in the budget. He spoke of salaries, salary disparities, how promotion used to be handed out, and how they should be done. He also discussed decentralization in Port-au-Prince, disenclosing the country in the short term, how this is the way to get food to the people. He also commented on elections, and guaranteeing that the people go to the elections in five years.

He talked about the IMF question, and about a number of other problems raised during this meeting of the three government ministers, on 22 March at the ONAPI [National Office for Industrial Production] premises, regarding the situation of the country, high cost of living, the catastrophic economic conditions—as they have found them—and reforms they intend to make within the public administrations. All three ask everyone to unite so that the country can get moving. [end recording]

Youth Groups Demonstrate Support for Aristide

FL2603212091 Port-au-Prince Radio Metropole in French 1700 GMT 25 March 91

[Excerpts] Thousands of young people demonstrated yesterday in Port-au-Prince, celebrating the sixth World Youth Day. The demonstration followed a religious ceremony in Saint-Jean-Bosco [Church] and wound up in the courtyard of the National Palace in a show of support for the head of state. President Jean-Bertrand Aristide commended the young people for their bravery, and at the same time, announced a decrease in the prices of rice and cement. Here is a report from our reporter, Rotchill.

[Begin Rotchill recording] This gathering, organized at the initiative of several youth organizations, evolved into a support rally for President Jean-Bertrand Aristide. This World Youth Day demonstration attracted fewer people, however, than the recent demonstration of women in the National Palace.

The youth rally was preceded by a mass at Saint Jean-Bosco Church, and the demonstrators marched through the streets throughout the day in a carnival atmosphere, employing slogans denouncing U.S. imperialism and condemning certain Haitian senators who they accused of blocking executive action. Some of those close to the president were also criticized.

Leading the parade was a large banner with a picture of national hero Charlemagne Peralte, with the words: Organized Youth Is the Poison Against Imperialist Arrogance; Down With the High Cost of Living! etc. These and other printed slogans, as well as a giant portrait of Che Guevara, were brandished by the demonstrators who declared their readiness to help President Aristide before the dangers which, according to them, surround the existence of the 7 February victory. [passage omitted]

The march continued until closing time at the National Palace. Due to problems of coordination, however, the demonstrators had to wait a good while outside the presidential house before the two large gates were opened to them. On the lawn of the National Palace a significant security force was assembled by the military men in charge of protecting the area where the president was scheduled to speak.

The demonstrators presented an extensive list of claims related to conditions under which Haitian youth currently live. The youth organizations named, among other grievances, unemployment and illiteracy. The gathering also laid bare the Haitian educational system requesting total reform in the educational sector by the government, which will require extensive dialogue. The youth groups offered recommendations along with their demands on political and diplomatic factors and requested the start of a literacy campaign. [passage omitted]

Tribute was paid to all the young people who fell in the struggle for democracy in Haiti during recent years. President Aristide stated in his speech that he shared the sufferings of the youth, and guaranteed that his government would seriously consider the claims they expressed.

In this speech, the head of state acknowledged the Campaign of National Dignity, which was begun by the Small Community Church [Ti Communaute l'Eglise] to raise funds for the country. President Aristide further announced, in a firm voice, a number of decisions including the transfer of responsibility for the chiefs of sectors to the Ministry of Justice, the intended increase in the minimum wage, and emphasized that the current government received a 67-percent popular mandate in the elections.

One of the measures mentioned by the president was an immediate decline in the prices of rice, cement, and refined sugar. The priest-president remained positive while warning traders against stocking goods and creating a black market.

The president cited Jean-Jacques Dessalines several times in the course of his message while pointing out the

sovereignty of his power. [passage omitted] President Jean-Bertrand Aristide, in this message on Youth World Day, stressed that the country's economic start can be achieved with Haitian funds. [end recording]

The president paraphrased Pope John-Paul II in saying that all private property has a social mortgage, and added: to mortgage the sovereignty is to reject dignity. During another section of the speech, addressed to the Latin American and Caribbean people, he said in Spanish: Latin American and Caribbean companions, you are not here, but we Haitians are here. We must fight together and the whole world will belong to us as one united people, one sole land, one unified struggle. Together we will overcome. [passage omitted].

The president also announced the beginning of a literacy campaign with the help of the youth, and specified that the heads of sectors would be under the orders of the Ministry of Justice.

Children Deliver Contributions to President

FL2703221991 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 26 Mar 91

[Excerpt] A group of five or six children, trained and supervised by adults, arrived at the National Palace from Thomassique on Monday. They brought 1650 gourdes [$330] to President Jean-Bertrand Aristide, which was money collected in four different areas of the Thomassique commune. The money was their contribution to the work being done to move the country forward. It was also in answer to the call made by Father Jean-Bertrand in his 7 February speech.

Father Jean-Bertrand Aristide, looking very satisfied, very happy, talked to the young people. He took the opportunity to say that Thomassique must be used as a model for other areas of the country where all children must give five cents and adults should encourage them to do so. These monies will go into a cashbox, and when it grows to a significant amount, [?the children] will decide together what they will do with it. [passage omitted]

TKL Organizes Collection To Aid Government

FL2603182091 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 25 Mar 91

[Text] The Port-au-Prince Basic Church Communities [TKL] organized a collection on 24 March to raise money to help the government in their own way. We are going to listen to an interview given by a TKL member this morning following the first day of collecting. It was announced that this collection will continue because there are people who have made pledges saying that they were not informed because of the blackout problem. Now that they know, they are willing to bring their contributions this week.

[Begin recording] [TKL member Georgette] The small problem which we mentioned on the radio concerning what happened at the airport where they gave us a lot of problems because they thought that.... [changes thought] They could not understand. They thought we came to beg for money. They gave us a lot of trouble. As you know, in these cases there are always people who are for and people who are against but that did not have any effect on us. Eventually, everyone participated in what way they could. There were people who asked that we continue the collection during the whole week because they did not know about it due to the electricity problem. When they learned of it, it was a bit late. Therefore, we will receive what they [not further identified] wish to contribute throughout the week. We have placed people at Radio Soleil and Radio Antilles for this purpose. They can continue to contribute according to their means.

The day.... [changes thought] Well, all the people who could, managed to cooperate. Many people have promised us that they will bring us something. We can only do a partial assessment, as this is not all yet. We have not finished counting what we have received because (?going on patrol) in the several offices was a bit difficult for us because it was very tedious for us to count all the funds that were arriving at the central office, but we can draw up a partial balance sheet. We have received.... [rephrases] If we include all that people have pledged and estimate what we have received, we could possibly have 500,190 gourdes [$100,038]. I am pretty close. If we include all that people have promised us, that will make $100,838 [as heard]. This includes all that is promised to us. This a partial balance sheet which is still not complete.

We take this opportunity to thank all the people who participated, not forgetting Radio Soleil, Radio Antilles, and Radio Nationale who participated on 24 March. We will not forget the Teleco [Haitian Telephone Company] technicians as well as the Teleco manager who came to see how things were. We say thanks to them. We also thank the police who provided great support to this undertaking. We will not forget all the brothers, friends who brought five cents, 10 cents, the little money that they had to live on. They shared it and brought it to us because they felt that Haiti is not for us alone but for all of us Haitians. As we said in our advertisement: Haiti for all of us and all of us for Haiti. What they felt, their pride, their dignity made us get together so that we can help rebuild our country.

[Unidentified reporter] Georgette, will you agree with me that it is only a symbolic deed? Anyway, 500,000 gourdes or $100,000 is nothing in comparison with what the government needs to have the country move forward.

[Georgette] I must tell you well that.... [rephrases] This is our participation. I think Haiti, [words indistinct] is poor, it does not have, that is true but you participate in something, when you participate in what they are giving you. This is something great. I must tell you that this is far from being sufficient to rebuild the country. The sum of 500,190 gourdes is nothing in light of the problems we are facing today. We have an electricity problem. We have a problem with the Army which does not have cars to move around in and we need security. We have the

justice problem too that we need (?to solve). We must participate. We have an agricultural problem. We have many problems. That is not it yet. That is why I invite all other people, who have not yet given, to contribute what they can. We have offices that are still working. You can continue to contribute. When they give, they must explain that it is for the Dignity and Pride Collection which was organized on 24 March by the TKL to help the government. [end recording]

Parliament Considers Road-Building IDB Loan

FL2703214691 Port-au-Prince Radio Metropole in French 1700 GMT 26 March 91

[Excerpts] The Parliament must come to a decision before 4 April regarding a loan from the Inter-American Development Bank [IDB], for an estimated $44.5 million for improvement of the national road network. Beyond this deadline, the Haitian Government could lose the advantage of this loan.

In light of the urgency of the situation, the Senate yesterday ratified a resolution, while the deputies postponed a special meeting and waited for the formation of a commission to consider the matter.

[Begin unidentified reporter recording] On Monday, 25 March, with a comfortable majority, the Senate ratified a law agreeing to a loan of $44,500,000, involving the Haitian Government and the IDB. With 17 votes in favor, and one vote against, the senators, after an urgent one-hour meeting, voted without any apparent resistance, the law authorizing the IDB to deposit $44,500,000 into the public fund, to which the Haitian Government will add $5 million.

This loan contract has as its primary objective improvement of the road network for the communities and the production centers. The project in question, which will begin in June, includes improvement of the 74-kilometer-long road between Pont-Sonde and Mirebalais in the Artibonite Valley, and the building of six secondary roads, unifying the Pont-Sonde-Mirebalais section. [passage omitted]

The Chamber of Deputies postponed its extraordinary session, during which the legislators were to ratify or abrogate the law related to the loan contract which was signed by the Haitian Government and the IDB. A majority of the deputies later voted for the formation of an inter-parliamentary commission which will be kept informed about the clauses of the contract and the mode of enforcement of such a law. [passage omitted]

If both chambers comprising the National Assembly do not agree to ratify this loan contract, it will be canceled on 4 April. If the Chamber of Deputies and the Senate agree to ratify the law, then the contract between the IDB and the Haitian Government could become effective by June of this year.

Government representative, Engineer Frantz Verela, from the Public Works Ministry, is scheduled to visit the Chamber of Deputies on 26 March to discuss the executive law project related to this matter. [end recording]

El Salvador

Opposing Sides Review Prospects for Peace

PA2703192791 San Salvador EL MUNDO in Spanish 25 Mar 91 p 19

[Report by Alberto Barrera on separate interviews with Colonel Mauricio Ernesto Vargas, deputy chief of staff of the Armed Forces, in his office at the Armed Forces headquarters in San Salvador; and with Joaquin Villalobos and Jorge Shafik Handal, commanders of the FMLN in the lobby of the Intercontinental Hotel in Managua, Nicaragua; dates not given]

[Text] Many feel that the Salvadoran war, which has lasted more than a decade, is in its final phase and that a cease-fire is imminent.

We interviewed some of the men directly involved in the conflict, who commented on this chance to attain peace and end the bloodshed, which has already claimed the lives of more than 70,000 Salvadorans.

Colonel Vargas said that the Armed Forces are willing to make great efforts, while Farabundo Marti National Liberation Front [FMLN] Commander Villalobos said that a military solution "is madness."

Col. Vargas received us in his office at the Armed Forces headquarters in San Salvador. He had had a very busy day giving orders to office personnel, granting interviews, and of course, meeting with military officers.

It was late and hot. Col. Vargas, still a young man, constantly wiped the sweat from his forehead with a small washcloth.

Col. Vargas, is a cease-fire possible?

"I think that the conditions are present. Irrational violence has no justification in our society.

"We will work hard and make great sacrifices. We will change certain attitudes to make a cease-fire a reality. We are predisposed to do so. Peace is possible, sooner rather than later."

Col. Vargas and the FMLN commanders said that both sides have reached agreements on 90 percent of matters discussed during the negotiations that began in April 1990 in Geneva with UN mediation and that the time to make a decision is near.

There are some doubts, however—particularly on the subject of the Armed Forces, one of the seven points on the Caracas agenda—which have bogged down the talks.

What is the status of the demand for territoriality?

"This demand is unacceptable, not just for the Armed Forces, but for the country and the Constitution. There is no territoriality. There is [guerrilla] presence in certain places, which temporarily causes destabilization, but it is not territoriality, it is not control."

We insisted on the subject and asked him if it was possible for the guerrillas to remain in those places until they can rejoin society. He contemplates, wipes his forehead again, looks straight ahead, pauses, and replies:

"That possibility was accepted a long time ago. It was implicitly stated in the peace negotiations. We will not try to expel them to Honduran territory or to Cuba. Definitely no," he said emphatically.

"There are certain things that are implicit with regard to the objective we are negotiating in our country, which is peace," he stressed without hesitating.

Veteran FMLN guerrilla leader Shafik Handal and Joaquin Villalobos, who is considered the most controversial, seemed to agree with Col. Vargas.

"We believe it is time to sign a peace agreement," Handal said, perhaps taking into consideration the people's urgent call to end the war and the enormous international pressures from countries in the area, Europe, and the main superpowers—the United States and the USSR.

"What is the point of more death and destruction?" Handal asked. However, he noted that the armed struggle for more than 30 years was legitimized by continuous military regimes and above all by "the lack of democracy."

The interview was conducted in the lobby of the Intercontinental Hotel in Managua. European and Latin American diplomats participating in the San Jose VII meeting come and go, and some greet Handal as they pass by.

Suddenly, the Salvadoran Government delegates appeared. Foreign Minister Jose Manuel Pacas walked straight ahead without looking around. However, Justice Minister Oscar Santamaria, who also heads the government delegation to the peace talks, stopped and greeted the bearded, but well-groomed guerrilla.

It was almost an embrace. "Is this meeting a coincidence?" Handal asked, to which Santamaria replied: "It is time we see each other more often." Neither made any direct reference to their mutual presence and much less to the FMLN proposal to expedite talks and agree immediately on a cease-fire.

They are both aware of the urgent need to come to a conclusion.

Later, during a conversation, Santamaria said that "if their (the FMLN's) attitude is to try to end the war immediately, it can be positive. In such a manner they would be recognizing that the peace process has advanced."

"The process is moving faster," he said, adding that "we have reached the point of final decisions. There is a positive atmosphere."

The attitude of the various social forces in El Salvador and the international community have contributed to this situation.

In Managua, Spanish Foreign Minister Francisco Fernandez-Ordonez, together with his Mexican, Colombian, and Venezuelan colleagues who comprise the group of friendly countries, played an active role in bringing the parties together.

The four, particularly Fernandez-Ordonez, met for over two hours in separate meetings with the Salvadoran delegations to discuss the new proposal and other topics related to the negotiations.

"The ministers (from the group of friendly countries) have agreed to be in contact with the UN secretary general or his representative and try to give our maximum support for the efforts to accelerate the process to end a sad and bloody 10-year war," Fernandez-Ordonez said in a brief statement to reporters.

Amid the activities of the many diplomats from 21 countries, the Salvadoran topic was a central issue among them and the press.

Many of them discussed the conflict, and the resolution even included a separate paragraph on the subject, praising the role played by the United Nations.

They were all in favor of negotiations.

Villalobos said that the FMLN was postively predisposed to end the war.

"There is no military solution. That would be madness and an insult to the people's feelings," he said, insisting that there is a bond between the two forces.

He said that the war "is in the final phase," and that "negotiation" is an irreversible path.

He also stressed that the reasons for the emergence of guerrilla groups in the early 1970's and for the intensification of the war in the 1980's have varied from their initial ideological concepts, but those reasons are valid and therefore the armed struggle is justified.

"We are not waging the war for ideological reasons, but to change reality, " he said.

Guatemala

Guerrillas Say Government Blocking Negotiations

PA2703152391 Panama City ACAN in Spanish 1618 GMT 26 Mar 91

[Text] San Jose, 26 Mar (ACAN-EFE)—The Guatemalan guerrillas issued a communique in Costa Rica today charging that the government of President Jorge Serrano has blocked the peace talks initiated in Norway in March 1990.

The Guatemalan rebels have stated that the government's refusal to carry out a public meeting which would become the first step in a rapproachment between the government, the Army, and the rebels is the main obstacle.

This position is in contrast with statements made by Serrano during his visit to Costa Rica last week. He said then that he is prepared to negotiate "immediately" and to discuss the guerrillas' demands "one by one."

The document states: "President Serrano has given much publicity to his position in favor of signing a total peace agreement in Oslo, but he has made no mention of the conditions and contents (of the pacification and democratization process in the country.)"

The document states that on 14 March the rebels proposed that a meeting between representatives of the government and the rebel command be held at the end of March, on the first anniversary of the agreements signed in Oslo to begin peace talks.

The communique states that the proposal was delivered in Mexico City to the president of the Guatemalan National Reconciliation Commission, Archbishop Rodolfo Quezada Toruno, in the presence of Francisco Vendrel, who is the representative of UN Secretary General Javier Perez de Cuellar.

The document, which is signed by rebel commanders Rolando Moran, Pablo Monsanto, Gaspar Ilom, and Carlos Gonzalez, states that "the (rebel) General Command believes that right now what is important is to break the current impasse."

Nicaragua

FSLN's Ramirez on U.S. Trip, Getting Credit

PA2703231791 Managua BARRICADA in Spanish 25 Mar 91 p 3

[Interview with Sandinist National Liberation Front (FSLN) leader Sergio Ramirez by an unidentified BARRICADA reporter; place and date not given]

[Text] [Reporter] Why did the FSLN decide to go with the government to the meeting in Washington?

[Ramirez] My presence in Washington was a decision of the National Directorate, in accordance with the guidelines that the FSLN has been following. The FSLN supports all government actions aimed at ending Nicaragua's economic crisis.

[Reporter] Does this mean that the FSLN supports the government without restrictions?

[Ramirez] No. The FSLN's support for the government's economic policies is based on the prevailing circumstances. These are new circumstances, and the government asked us to accompany them in order to try to

obtain resources for Nicaragua. The FSLN, once again, said yes. We also went to Rome and Paris.

[Reporter] Will the resources obtained in Washington be used to pay the debt with world banks in order to get more credit later?

[Ramirez] That is the idea. The government will present its adjustment plan and try to get the international financial community to finance the payment of the debt with the World Bank and the Inter-American Development Bank (IDB). Based on this, those institutions could release new credit for the country.

We think that the IDB and the World Bank might provide fresh resources to reactivate the agricultural industry, rebuild roads and houses, and provide other assistance for the people.

[Reporter] How should those resources be used?

[Ramirez] This program, which is designed to eliminate hyperinflation, is a tough one. We have insisted, nonetheless, that the most neglected sectors—the unemployed, people in low-income brackets, those lacking an opportunity to participate in the country's economic development—must be favored with credit programs. Also, job opportunities must be opened in the factories and the countryside, and credits should be allocated for small and medium-sized farmers.

Resources should be earmarked to compensate for the negative effects of implementing the program.

[Reporter] What is your assessment of the first three weeks since the implementation of the economic adjustment plan?

[Ramirez] It is quite premature to say whether hyperinflation will be checked, as it should be. Inflation will obviously rise in March because a devaluation by itself is inflationary.

We will have to wait and see whether inflation will fall in April to a one-digit figure. That will be the litmus test for the adjustment plan.

[Reporter] How much does the IMF have to do with the government plan?

[Ramirez] Certain aspects of this plan have affinity with IMF programs. Anything pertaining to reducing public expenditures and credits, seeking ways to check inflation, and eliminating subsidies for public enterprises are classic elements of IMF programs. They do not differ from those we applied when we were in the government, however, our disadvantage was that we had no access to foreign resources to support our plan.

Now, if the government acquires a commitment from the IMF to obtain resources in the future.... The authorities have not yet decided to do so, but I would not be surprised should they choose that path.

[Reporter] Are the laws on foreign investments and others authorizing the establishment of private banking determinant factors in obtaining resources?

[Ramirez] They help because the international financial community is keeping a watchful eye on the flexibility of the domestic aspects of the economy.

A foreign investment law, such as the one the government advocates, only introduces adjustments to the ones that already exist. A law allowing the operation of private banking and a tidying up of the process to privatize enterprises, some of which will go to the hands of workers and others to those of private capitalists, I believe will also help create the atmosphere that the country needs to gain access to new resources.

* Inactivity in Judicial System Criticized

91CA0085A Managua LA PRENSA in Spanish 20 Feb 91 p 4

[Commentary by Emilio Alvarez M.]

[Text] Only through prompt, vigorous, efficient action will the country be able to absorb the negative impact that the assassination of Enrique Bermudez has had on its social life.

The area where the executive branch must exercise action with extraordinary diligence is the very sensitive one of justice. Public opinion has accurately perceived that its police agencies and judicial system do not operate with the impartiality and professionalism that our citizens need and deserve in order to feel secure.

Let us cite an ordinary example. Based on orders from military authorities and even late at night, entries are made in the country's civil registry, which is under the jurisdiction of the Ministry of Police, of properties fraudulently acquired based on Decrees 85 and 86. Such thefts committed by officials themselves are absolutely scandalous because of the corruption they reveal.

On many occasions, the minister of government has guaranteed that buildings assigned after 23 February will not be recognized as legal and that consequently, such registrations are not valid, inasmuch as such sales would be in violation of the Protocol of Transition. So?

Another example: Police officers involved in bloody, criminal acts as notorious and repetitious as those that took place during the September riots have not been punished. What is going on here?

Must we cite more cases? Dynamite is planted at two popular, critical broadcasting stations in the capital; explosives are discovered at the homes of two prominent, independent politicians (Cuadra and Castilla). Have any of the inquiries led anywhere?

Why then should we be surprised when terrorists decide to perpetrate more crimes at no risk whatsoever because they know that here police investigate nothing?

Let us move on to other even more disturbing spheres of justice. The Supreme Court of Justice is paralyzed. It turns out that the precarious majority of five to four was circumvented simply by declaring that six votes were needed for a ruling! As a result, since none of the rulings can marshal that many votes, no one has to worry.

Let us be constructive. The following measures are essential:

1—The Supreme Court and respective courts must be completed by a measure passed by the Assembly, where UNO [National Opposition Union] has a majority.

2—A law must be passed nullifying anything done by virtue of Decrees 85 and 86.

3—The Agreement with Spain must be implemented so that they will send us a technical mission to reorganize the police from top to bottom.

4—Vice President Godoy must be appointed to evaluate the administration of justice and issue recommendations to correct situations over which the executive branch has jurisdiction.

If the government believes that Nicaragua's whole problem comes down to money and to finding friendly governments to supply it, it is mistaken. Our crisis is fundamentally political because it is a matter of trust, and it now fosters insecurity.

If we do not repair the foundations of society by vigorous action, then we can fix nothing, and justice is the very cornerstone of that society.

Panama

Endara Comments on Wiretapping, Raid on House

Denies Occupation by Force

PA2703200591 Panama City Radio KW Continente in Spanish 2210 GMT 26 Mar 91

[Text] President Guillermo Endara has clarified certain things with regard to the occupation of an office in the reverted area that, according to reports, was occupied in a violent manner with the use of machine guns. President Endara said:

[Begin Endara recording] This is a house that according to the canal treaties is for the exclusive use of Panamanian officers who are serving as members of the Combined Board. They are two housing units located in Quarry Heights. There is no Combined Board, nor is the house being used as a home. Unfortunately, we found out that it was being used as an office. As supreme chief of the Public Force, I took possession of the building, but not as some commentators have said, with machine guns. No, that was not the way it was done. The building was occupied without the use of force. We occupied the building because I am the chief of the Public Force and asked that it be occupied immediately and placed in my custody. That building is currently in my custody and we will discuss with the U.S. authorities how the canal treaties will be respected. It will not be used for any type of office. [end recording]

Reaffirms Wiretapping Charges

PA2703194191 Panama City EL DIARIO INDEPENDIENTE in Spanish 27 Mar 91 p 22

[Article by Josefa Cedeno]

[Excerpts] In statements before a group of local and foreign reporters, President Guillermo Endara has said: "My private and confidential telephone has been tapped." [passage omitted]

According to articles that have appeared in some newspapers, the Council for Public Security and National Defense [Conasepuden] is responsible for tapping telephones used by prominent politicians. The tapping is being done from Building Nine, located in the reverted area of Amador.

President Endara explained that the Conasepuden is only responsible for providing him with information of what is happening around the world and the public order situation.

Endara denied that Conasepuden members raided Building Nine in a violent manner, carrying machine guns. The president added that this was a house that had been given to the officers of the Combined Board and apparently the Panamanian military corps, and he, as Supreme Chief of the Public Force, took over the building without the use of force.

"Only in death will they remove me from the Presidency," Endara reiterated when asked about the possibility that the espionage activities are part of an alleged coup d'etat mentioned by his wife, Ana Mae de Endara. Mrs. Endara also charged that the Christian Democrats are the masterminds of the coup.

Endara said that the Conasepuden does not use electronic equipment or any other equipment that belonged to the G-2, the intelligence corps of the defunct Panama Defense Force.

With regard to the draft bill being presented by some U.S. senators, President Endara stressed that as long as he is president of Panama there will be no renegotiation of the Torrijos-Carter Treaties.

Comments on Popularity, Calderon

PA2803014991 Panama City Circuito RPC Television in Spanish 2300 GMT 27 Mar 91

[Text] President Guillermo Endara believes that a majority of Panamanians continue to support him:

[Begin recording] [Endara] I sincerely do not see that reflected in the people, because I am welcomed with much love and appreciation everywhere I go. This is not

in keeping with what is being said. I insist, I believe that the polls are based on scientific methods but they do not reflect reality.

[Unidentified reporter] Do you believe that you enjoy the support of the people in general?

[Endara] Sure, I feel it everywhere I go, everywhere I go [repeats].

[Reporter] Despite the criticism, Mr. President?

[Endara] Despite the criticism, the people extend a warm welcome to me. There is criticism in the press and on the radio, but I notice none from the people.

[Reporter] Mr. President, how can we explain that now in a democracy there is espionage even of the kind....

[Endara, interrupting] I am investigating that.

[Reporter] [Vice President] Ricardo Arias Calderon said yesterday that he does not fear becoming part of the opposition again. What is your position?

[Endara] I have no position on that statement. I sincerely hope to maintain the coalition and I hope that the government alliance will be maintained. They [Arias' Christian Democratic Party—PDC] are essential members of that alliance.

[Reporter] The PDC has said that it helped to bring you to power, but now there are accusations of this kind....

[Endara, interrupting] Yes, all Christian Democrats, along with other elements, brought me to power. Indeed, that is true. I recognize that. [end recording]

President Endara also revealed how he discovered that his telephone had been tapped:

[Begin recording] [Endara] We discovered it because we have people in our intelligence service who know about such matters. They detected the tap and I demanded that they bring in technicians who are true experts in this field. An official, pardon, rather a foreign technician who knows much about such matters was brought in and on 23 March he confirmed that my phone had been tapped.

[Reporter] Do you suspect anyone?

[Endara] No, an investigation is continuing and any allegations at this time would be completely unjustified.

[Reporter] Why are Buildings Eight and Nine [on Fort Amador] under such heavy security and nobody is granted access and...

[Endara, interrupting] Because that is not a place for journalists.

[Reporter] What is inside the buildings, Mr. President?

[Endara] They house the offices of my security services, of my intelligence services. That is not a place for journalists. You should go to the presidential palace, do not go to Buildings Eight and Nine because these facilities are off limits to you. [end recording]

PDC's Commitment to Ruling Alliance Discussed

Directorate Issues Communique

PA2703202491 Panama City LA ESTRELLA DE PANAMA in Spanish 24 Mar 91 p b-5

[Communique issued by the Directorate of the Christian Democratic Party (PDC) in Panama City on 23 March]

[Text] The Christian Democratic Party [PDC] Directorate has reached the following conclusions on the country's political, social, and economic situation:

1. Our participation in the democratic and constitutional government led by Guillermo Endara G. is due primarily to the clear mandate the Panamanian people gave us with their votes on 7 May 1989, which was ratified on 27 March 1991. Our presence is therefore not subject to arbitrary pressures that are devoid of national feeling.

2. We call on the parties that belong to the government alliance to hold an urgent, in-depth discussion to resolve the country's main problems, especially the socioeconomic problems that have most affected long-suffering Panamanians.

3. We reaffirm our unshirkable commitment to the country's justice, democratization, and demilitarization to loyally uphold the Panamanians' dearest desires in the civic struggle.

4. We patriotically call on all the national political, social, and economic forces to effectively commit ourselves to work toward the nation's decency, reconstruction, and reconciliation.

5. In view of the PDC's historic participation in shaping a free, fair, and equitable society, we demand respect for our party and its president, Dr. Ricardo Arias Calderon, one of the main proponents in achieving and consolidating the nation's democracy.

Panama City, 23 March 1991

Secretary General Urges Change

PA2703194691 Panama City Circuito RPC Television in Spanish 2300 GMT 25 Mar 91

[Text] Ivan Romero, secretary general of the Christian Democratic Party [PDC], has reported that his party will remain in the government coalition despite the attitude of some of its members and reports of telephone espionage. Let us listen to him:

[Begin recording] [Romero] We believe the conduct of the members of the alliance should be corrected quickly. We believe we should stop bickering publicly and sit down privately to tell each other what needs to be said so that we can change our attitude. We must put our heads

together to solve problems and not to show off before television cameras and the media to try to gain political points.

[Unidentified reporter] How can we talk about an alliance and about trust among the parties in the government coalition when there is talk of political espionage and telephone tapping?

[Romero] The parties in an alliance always want to know what the other parties are thinking to find out if they are sincere. I wish these parties would spy on us and tap our telephones so that they would see that all the charges against the PDC are complete lies. We are the great defenders of this government's stability because this is the government that will allow us to return to an authentic democracy. This is a government of transition that will allow us to have an authentic democracy in the future. [end recording]

Calderon: Party Will Remain

PA2803003891 Panama City Circuito RPC Television in Spanish 2304 GMT 27 Mar 91

[Text] Last night at the Inter-China Restaurant, the Christian Democratic Party [PDC] held an event to show support for its president, Ricardo Arias Calderon, who was accompanied by his wife and distinguished members of his party. Arias Calderon said the PDC will remain in government and will continue to be the party of the poor, because more than 264,000 votes took the party to power, along with the ADOC [Civic Democratic Opposition Alliance].

He added that just as is being done with the foreign debt, which is $6 billion, we have to deal with the social debt because it is part of the country's reality.

In his extensive speech the PDC president talked about different topics in the country.

[Begin Arias Calderon recording, in progress] ...Nelly Figueroa and we will continue along a straight road, the road leading to the construction of Panamanian democracy whatever it may cost. We want a Panamanian constitutional democracy because there is no democracy without respect for the Constitution, there is no democracy without respect for the law, there is no democracy without respect for the authorities who were duly elected by the Panamanian people. I am talking about authorities in all fields, the executive authorities and the legislative authorities because we were all elected by the same people and we all deserve mutual respect.

They [not further identified] think that I am not aware of the political costs of having to take on the responsibilities in the ministry. Some people do not think that I am working firmly or prudently, but if this is so, we would not have a democracy in our country. A political leader is not one who faces his responsibilities only when they lead to applaud or raise points for him in a poll. A political leader is one who assumes his responsibilities because that is what his conscience dictates. [applause] [end recording]

Deputy Presidency Minister Discusses Wiretapping

PA2703214591 Panama City Circuito RPC Television in Spanish 2300 GMT 26 Mar 91

[Text] Telephone wiretapping is an irregularity and those who engage in it are subject to severe penalties. Making telephone calls these days translates into insecurity, because no one seems to be free from the so-called telephone espionage. Both he who lives at the Palace of Herons and the poorest citizen with a telephone run the risk of having their telephone conversations tapped by third parties. Even worse is the fact that these conversations run the risk of being taped and their content being used with bad intentions. This is an irregular practice that was used by the regime of deposed General Noriega to subdue his political enemies.

It seems that this situation remains unchanged, even in today's democratic government that is trying to get rid of the vices from the past.

[Begin recording] [Deputy Presidency Minister Miguel Batista, in progress] ...that the telephone has been wiretapped. The president wants to know who has done this and an investigation is under way.

[Unidentified reporter] Who do you think could be wiretapping the telephones at the Presidency? The only organizations capable of doing so are the Public Force, the Judicial Technical Police, and Intel [National Institute of Telecommunications], which are controlled by the Christian Democratic Party [PDC]. Are they responsible for this?

[Batista] I am not saying that the PDC is behind all this. On the contrary, I doubt that they are involved. I think that they are loyal to this democratic commitment. However, who can guarantee that all members of the Public Force are acting in good faith? Who can say that all members of the Public Force are committed to this democratic process when most of them belonged to the defunct Panama Defense Forces? Who can guarantee that no people are doing this in an institution like Intel, which has specialized personnel who learned about telephone wiretapping in the times of the dictator? [end recording]

There was no initial reaction on this issue from the National Police. However, National Police Director Ebrahim Asvat will make a statement tomorrow. Meanwhile, Intel Director Jose Maud is out of the country but his deputy stated that he will make a statement tomorrow. It is likely that these officials will deny involvement in the sensitive issue of telephone wiretapping.

In the meantime, there are reports that sensitive telephone espionage work, through the use of sophisticated equipment, is being carried out at Noriega's former

bunker in Building Nine on Fort Amador. This facility now houses the Council for Public Security and National Defense [Conasepuden]. More than 300 telephones can be simultaneously wiretapped there, and the director of Conasepuden is Menalco Solis, who served as a minister in the Noriega regime. Solis today enjoys the full confidence of President Guillermo Endara Galimany, whose telephone has also been wiretapped. The big question remains as to who is involved in this controversial issue.

[Begin recording] [Gloria Moreno de Lopez, president of the Legislative Assembly's ad hoc commission] Perhaps we will have to convoke or form a new commission to conduct an in-depth investigation into this matter. I hope that this time the Supreme Court of Justice does not rule the commission's actions as unconstitutional. This will permit us to fully investigate the Conasepuden.

[Unidentified reporter] Who is tapping the telephones? Do you think that this is part of the internal struggle between the parties of the ADOC [Civic Democratic Opposition Alliance] coalition?

[Moreno de Lopez] Definitely not. Under no circumstances should we wiretap anybody's communications. In addition, I do not think that anybody can think that one party of the ADOC may wiretap the telephones of others. [end recording]

Private communications are inviolable and they may not be wiretapped. This is clearly stated in the Constitution. However, there are people who ignore the Constitution. They may be punished for this illegal action. For now, this matter should be investigated in depth to trace those responsible for this war of telephone espionage, which does not even respect the president of the Republic.

Four High-Ranking Officials Allegedly Resign

PA2703211791 Panama City EL SIGLO in Spanish 27 Mar 91 pp 1, 12

[Text] According to information received from reliable sources at our news desk yesterday, resignations are being handed in by government officials at all levels in the central government. These resignations appear to have occurred abruptly and for a variety of reasons.

For example, it was learned that Public Works Minister Rene Orillac, one of the pillars of the current government given his enthusiasm and honesty, has already presented his resignation citing health problems. Orillac belongs to the Christian Democratic Party and is the son of a well-known banker of the same name, who was noted for his uprightness and honesty.

Meanwhile, Roberto Moreno resigned as national railroad director. Moreno has held this post unsuccessfully for a year due primarily to the fact that he had no budget whatsoever. The railroad, if that is what you can call it, is completely ramshackled. The sleepers are rotten and should you venture to travel in one of these trains your life will be in danger. There has been talk of numerous solutions, among which is to grant a Japenese company an interest in the railroad. The Japanese would then operate it as a private company. However, the canal treaties prohibit this alternative, since they stipulate that if Panama cannot operate the railroad, then its operation would once again revert to the United States. In any case, according to information obtained from the workers of this state-run institution, the railroad will have to close before the end of the year. This means that the United States will resume control of the railroad and that Moreno has anticipated this and wanted to avoid this humiliation.

It was also learned that Agricultural Development Bank manager Jaime Adames has drawn up his resignation in light of news that this important financial organization will be privatized or absorbed as just another account in the National Bank. This state-run bank grants loans to the small and medium producers at low interest rates. If this does happen—and it appears to be imminent—agricultural development and incentives will be terminated. The National Bank, as well as the private banks, lend money using financial and not social criteria, therefore their interest rates are too high and their terms out of reach of poor farmers.

To conclude, it was also learned that Julio Berrios, general director of legal matters and canal issues in the Foreign Ministry, who recently became the ministry's official spokesman, has also tendered his resignation. Berrios did not give any explanation for his resignation but wished the new democracy success, to which, he stated, he feels he has contributed.

Previously, Rodrigo Marciacq, director of the Agricultural and Livestock Marketing Institute, was forced to resign in the middle of a political turmoil caused by the import of 1 million quintals of corn. It was argued that this amount of corn was not needed yet, although no fraud was detected in the operation.

It is unknown if there is any political motivation behind the growing number of resignations in President Endara's government.

Columnist on U.S. Strategy To Renegotiate Bases

PA2703182091 Panama City CRITICA LIBRE in Spanish 26 Mar 91 p 4

["The Other Trench" column by Boris Barrios: "Renegotiation of the Military Bases?"]

[Text] The U.S. Government's political offensive toward renegotiating the treaty on the military bases in Panamanian territory should not be surprising news. Nor should anyone be surprised if those negotiations do take place, even though government spokesmen and President Guillermo Endara have said that there will be no negotiations.

The U.S. Government promised to give Panama millions of dollars in the form of "economic aid" after the

20 December 1989 invasion. The millions later became crumbs, and these crumbs, in turn, were linked to approval of a mutual legal assistance agreement that would wipe out Panama as a "financial paradise" if approved with the fiscal clauses that the U.S. Government is actually seeking. That "economic aid" never arrived in Panama, and that fact has rendered the current government's "great economic program" inoperable, because many of the economic initiatives were contingent upon the arrival of the millions in "U.S. economic aid," but the ship never arrived!

Now the U.S. Government is launching a political and diplomatic offensive to renegotiate the agreement on the U.S. military bases in Panama. This political offensive is being launched by the U.S. Government at a time when the Endara administration is one year and three months old, and at a time when the government is afflicted with a serious deterioration of its credibility because of its failure to solve the country's serious problems. Above all, this comes at a time when the parties that make up the government alliance have been distracted by internal squabbling over political positions and conflicts over the way to govern. In short, at a time when the country is in a state of uncertainty and political instability.

The U.S. Government has still not explained the basis of its offer within the context of the offensive strategy to renegotiate for the permanence of the military bases in Panama after the year 2000. In other words, the U.S. Government has still not placed its cards on the table.

Just imagine for a moment the U.S. Government announcing that it will pay Panama millions of dollars annually to maintain the current military bases. Precisely at a time when the Panamanian Government is experiencing a big economic crisis, imagine if the U.S. Government were to subject us, without announcing it, to economic isolation while publicly offering another million-dollar sums for renegotiation on the military bases.

The government's deterioration is becoming worse. The U.S. Government has taken advantage of this situation to launch its offensive. In the face of an economic crisis will the government maintain its position to never negotiate? What will be the position of the people then?

What is already a fact is that the U.S. Government has set in motion its strategy to achieve renegotiation of the agreement on military bases located in Panama beyond the year 2000. We are sure that if the United States must provoke a larger economic crisis in Panama to achieve this, it will do so. I only hope I am mistaken!

Argentina

Gonzalez Rejects Idea of Joint Military Force

PY2603222491 Buenos Aires BUENOS AIRES HERALD in English 26 Mar 91 p 11

[Text] (NA-DYN)—Defence Minister Antonio Erman Gonzalez yesterday again denied reports of a possible joint military force of Southern Cone armies.

In brief statements to the press shortly after meeting President Carlos Menem at Jorge Newbery airport, Gonzalez said he had briefed the head of state on the results of conversations with military chiefs held while Menem was in Paraguay.

Gonzalez also denied rumours suggesting that the Armed Forces would have less operational capacity this year due to the shrinking ranks of soldiers. "This is not true because today national defence is not based on the number of soldiers but on equipment, training, technology and modernization, which means that an Army does not become weaker simply because it has less soldiers."

A recent report by the New Majority studies centre claimed that "the incorporation of conscripts in the Armed Forces will be the lowest in absolute terms since the beginning of the century, leaving the Army in a position of evident disadvantage compared to its counterparts in Brazil and Chile.

The report pointed out that out of the 13,600 conscripts expected to enter the Armed Forces this year, only 3,000 will be incorporated by the Army, "which closes a cycle in which the total number of members in the Army has been slashed by two thirds in the last decade," the report states.

After meeting the defence minister, Menem received the visit of Gustavo Rodriguez Arregui in Government House. Rodriguez Arregui is an Argentine enrolled in the United States Marines who participated in the Persian Gulf campaign. The young soldier told the president some of his Gulf experiences and later his mother, Ana Maria Arregui, told the press that her son and Menem were the only Argentines who stood up to Saddam Hussein in the war.

Chamber of Deputies Approves Law on Dollarization

PY2703181491 Buenos Aires TELAM in Spanish 1226 GMT 27 Mar 91

[Text] Buenos Aires, 27 Mar (TELAM)—This morning the Chamber of Deputies approved the bill establishing the dollarization of the austral. The last 15 articles of the bill were approved at 0915 after a marathon 13-hour debate.

The overall bill was approved at 0732 and the discussion on each article was quickly completed. During the discussion on each article, the Justicialist Party expressed its position through messages delivered by Oscar Lamberto and Jorge Matzkin, while the Radical Party spokesman was Deputy Jesus Rodriguez.

Menem Creates New Railroad Company for Capital

PY2603221291 Buenos Aires BUENOS AIRES HERALD in English 26 Mar 91 p 1

[Text] (DYN)—Argentina now has two railways companies. President Carlos Menem yesterday signed a decree establishing the new firm Ferrocarriles Metropolitanos SA [Metropolitan Railroads Inc.], which will take responsibility for operating the urban and underground rail service in the Federal Capital.

Menem explicitly admitted that the creation of the new company, which is to be sold to the private sector within 90 days, was a response to the 42-day old railway strike which has crippled much of the country's railways.

Menem yesterday urged the strikers to lift their protest, and threatened to issue dismissal notices to striking workers.

The decree signed yesterday recognizes the losses made by Ferrocarriles Argentinos [Argentine Railroads], and the need to improve efficiency in the railway system. According to the text, the losses are "a consequence of inadequate administrative organization, but also a marked lack of technical investment.

"The uncoupling of the management and operation (under the new company) from the national railway system will permit .... an appreciable improvement in efficiency and quality of service in the short term," the decree goes on.

The establishment of the new firm is also designed to attract private capital to the railway network. Arguing that the state is not in a financial position to make the investment that the railways need, the decree calls for the privatization through concessions of Ferrocarriles Metropolitanos SA, in whole or in part, within 90 days.

The decree also envisages the eventual incorporation of high speed trains into the Buenos Aires network.

Strike Situation Wrap Up

PY2603223091 Buenos Aires BUENOS AIRES HERALD in English 26 Mar 91 p 11

[Text] (DYN)—President Carlos Menem yesterday kept up the offensive against railway strikers, anticipating a fresh wave of dismissals and saying the newly-created metropolitan railway service was a direct reply to their drawn-out protest.

Blasting the "hard-line" strike action, Menem said the conflict had become clearly political and gave out "precise instructions" to punish workers still backing the six-week-long indefinite walkout.

"Unfortunately, dismissal notices will keep coming," said the President, insisting that dialogue hinged on a labour truce.

Tension mounted in the wake of the fire which gutted a train early Sunday, with molotov bomb attacks reported yesterday against the homes of two workers who gave up strike action.

Nine railwaymen meanwhile completed their fifth day of hunger strike in Plaza de Mayo. The group, mostly from the Mitre line, was in critical condition according to union sources.

La Fraternidad train drivers union leader Ernesto Jaime was quick to denounce the attacks against Walter Magarino, head of the Roca line Empalme Lobos branch, and Juan Jose Hernandez, a Sarmiento line engine driver.

But he claimed both the recent arson and bomb attacks "have nothing to do with the trade union or the original wage demands," hinting at the participation of left-wing political activists.

The rebel railway factions will hold a new plenary today to debate their battle plan. The wildcat strike today marks its 42nd day, the same as the historical record of 1961 when workers staged the longest stoppage since the railways passed into state hands.

The strike has paralyzed the Roca and San Martin lines while restricted services run Belgrano, Urquiza and Mitre routes. Erratic services also started this week on the Sarmiento line.

LA PRENSA Undergoing 'Financial Crisis'

PY2703210691 Buenos Aires BUENOS AIRES HERALD in English 27 Mar 91 p 11

[Text] (NA-DYN)—La Prensa, the oldest daily in Argentina, called in the receivers yesterday on its outstanding debts in order to continue publishing and evade a shutdown. The newspaper has been undergoing a financial crisis, said Director Maximo Gainza. In October La Prensa will have been in operation for 142 years, but Gainza said "our problems are the reality of Argentina, and our decision was the price we paid to maintain our editorial independence." He added that the newspaper had hardly any advertisements, could not obtain soft loans from state banks, and could not purchase subsidized paper. More than 300 families depend on the newspaper, said Gainza. "We had no other alternatives, besides calling in the receivers, in order to continue publishing this newspaper," added Gainza.

Menem In-Laws Deny Drug Charges, Medellin Ties

PY2703204091 Buenos Aires BUENOS AIRES HERALD in English 27 Mar 91 p 11

[Text] (NA-DYN)—Former Foreign Ministry official Karim Yoma denied the involvement of any member of his family in the case of money-laundering linked to drug-trafficking activities, in which several relatives of estranged First Lady Zulema Yoma were mentioned by the Spanish magazine Cambio 16.

Yesterday Yoma said that the magazine was involved in a plan "which seeks the fall of the government" and accused the Spanish journalists of being "mercenaries and terrorists."

The media had accused Karim and his sister Amira Yoma—former presidential audiences secretary—together with former Drinking Water National Council director Mario Caserta and ex-official Ibrahim Al Ibrahim of forming a group which brought some five million dollars each week from the drug sales of the Medellin Cartel Ochoa family.

Karim Yoma said he was sure some Argentine politicians were also involved in the alleged campaign "designed to destroy the moral values of some traditional Argentine families."

For his part, Interior Minister Julio Mera Figueroa showed similar anger when learning of the accusations of the Spanish newspaper La Vanguardia, which said he had "personally warned" journalist Nora Morandini, correspondent of Cambio 16 in this city, in relation to the magazine's articles on the money-laundering case.

La Vanguardia said that Morandini's life was "a nightmare, with constant death threats, the tapping of her telephone and a personal warning from Interior Minister Julio Mera Figueroa."

The minister emphasized that he had invited the journalist to his house and that he had told Morandini "it is President Carlos' wish to guarantee total freedom of the press." Mera Figueroa explained that "not only was there no warning to this journalist, but I even promised her that she could go on working with all the guarantees she has always had in this country."

In related developments, Federal Judge Maria Servini de Cubria yesterday travelled to Spain to discuss the case with Spanish Judge Baltasar Garzon Real, who is investigating the European connections of the gang. The judge will also read the documents collected by her Spanish colleague.

Before leaving, Servini de Cubria ordered the freedom of four suspects arrested last week. Several others are still held at Federal Police headquarters.

Bolivia

Use of Bolivian, U.S. Military in Drug Campaign

Congress To Debate Issue

PY2803033491 La Paz Television Boliviana Network in Spanish 0200 GMT 28 Mar 91

[Text] Information Minister Mario Rueda Pena has made two [as heard] important announcements that pertain to the government's firm decision to eradicate drug trafficking.

[Begin Rueda Pena recording] I wish to inform you that tomorrow President Jaime Paz Zamora will call an extraordinary session of Congress for 2 April. The agenda has only one item dealing with the authorization that Congress has to give, in accordance with the Constitution, so that U.S. military personnel—in other words, U.S. instructors—can enter the country to train Bolivian military personnel that will participate in the fight against drug trafficking within the framework of the agreements that we have signed with that country. [end recording]

MNR Leader 'Firmly' Opposed

PY2603190191 La Paz EL DIARIO in Spanish
21 Mar 91 p 4

[Text] Raul Lema Patino, a congressman and a leader of the Nationalist Revolutionary Movement (MNR), has stated that his party will firmly oppose the use of the Armed Forces in the fight against drug trafficking because it could lead to violence within the country.

He added that the MNR will also oppose militarization because "the Armed Forces could become corrupted. We have observed this in other countries, and even in the history of Bolivia, when the armed or police forces have been involved in repression. Money is enormously powerful, and in this type of activity the Armed Forces can quickly become corrupted."

Because of these two reasons, an escalation of violence and corruption, the Armed Forces must not enter the fight against drug trafficking, Lema Patino stressed.

Lema Patino was asked what action must be taken by Congress to prevent, or to constitutionally question, militarization:

He replied: "Regrettably, the government currently has absolutely no respect for congressional procedures. It should have called Congress for 120 sessions but it has chosen to gag Congress with a recess and it is still not known whether Congress will be called for a special session. On top of all of this, several extraordinary sessions are being talked about and this is a slap in the face for congressional procedures."

'Loss of Sovereignty' Decried

PY2603161291

[Editorial Report] La Paz EL DIARIO in Spanish on 21 March carries a 600-word report on page 4 about a note sent by the Federation of Bolivian Press Workers to Information Minister Mario Rueda Pena on 20 March. Included in the report is the text of the note, which expresses the concern of the workers about "the loss of sovereignty as a result of the orders the United States has given the Bolivian Government."

The note states that the United States "imposes its own criteria" on the Bolivian Government, that the Bolivian Government "permits" and "encourages" this "affront," and that this situation has been brought into the open "by the changes in the Special Antinarcotics Force, the National Police, and the Interior Ministry."

The note says that the information minister's explanations on the subject have "ridiculed" the country, and it recalls that the Catholic Church has warned that militarization of the anti-drug fight involves the danger of promoting "corruption within the Armed Forces," consolidating "U.S. political-military domination," and losing "our sovereignty."

After voicing concern over the government's attempt to "control" the Supreme Court, the note requests an audience with President Jaime Paz Zamora, and notes: "We do not understand" why the president has postponed this audience with "a major sector" of the Bolivian people, while, on the other hand, he has time to meet "astrologers" and "religious sect leaders."

1,000 Soldiers To Work on Anti-Drug Campaign

PY2703012191 La Paz PRESENCIA in Spanish
22 Mar 91 Section 2 p 1

[Text] Cochabamba—General Victor Vrgas, commander of the 7th Army Airborne Division, has reported that some 1,000 Army soldiers will participate in the anti-drug fight in the tropical zone of Chapare Department. They will carry out security, control, and support tasks. Meanwhile, the coca growers have asserted that the so-called militarization of the department is not to fight the drug traffickers, but to force them to eradicate their coca plantations. The growers said that this "fact could cause days of mourning and pain." Gen. Vargas explained that Army participation in the anti-drug fight will not result in the militarization of the region because militarizing the region would mean that it would become a military zone, that military authorities would be appointed, and that military rules would be imposed. He added: "This will not occur."

Gen. Vargas recalled that for some time now the Armed Forces, through the Air Force and the Navy, have been helping the police in the struggle against drug trafficking and that the Army will commit two battalions. Vargas asserted that the area where the drug traffickers operate "is very large," thus the need for soldiers to protect the peasants, supervise the entry of precursors, and help with development tasks.

He noted that "only a few leaders" are against the military presence since the grass roots welcome the commanders, officers, and soldiers who arrive for training.

Meanwhile, the Special Federation of Peasant Workers of the Tropics [Federacion Especial de Trabajadores Campesinos del Tropico], has called for a mobilization against the militarization and in favor of an alternative development as "the only true and effective way to fight drug trafficking."

Brazil

Collor, Ministers Visit Indian Reserves

PY2703180791 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 27 Mar 91

[Excerpts] This morning President Fernando Collor visited Chapeco in the western part of Santa Catarina State. Collor was returning from Asuncion, Paraguay, where he signed an agreement creating the Mercosur [Common Market of the South].

From Chapeco, President Collor left for the Ligeiros Indian Reserve in Rio Grande Sul State. This was Collor's first visit to Santa Catarina State. [passage omitted]

Environment Secretary Jose Lutzemberger, Justice Minister Jarbas Passarinho, and Education Minister Carlos Chiarelli are accompanying the president on these visits.

Following the 15-minute stopover in Santa Catarina, Collor will go to Rio Grande do Sul, where he will visit the Ligeiros Indian Reserve in Tapejara County, 40 km from Chapeco. While there, Collor will sign decrees creating five indian reserves for Guarani and Kaigangui Indians. [passage omitted]

* Collor Government Assessed at First Year's End

91SM0239A Sao Paulo VEJA in Portuguese 13 Mar 91 pp 20-24

[Text] A year ago, Fernando Collor ascended the ramp of Planalto Palace for the first time as president of Brazil. Buoyed by the sound of 35 million ballots with his name marked on them being deposited at the polls, he walked confidently. He had public support, the respect of the politicians, a daring plan for governing, and a team of young men and women united in their readiness to put Brazil on the track of progress and social justice. Last week, on the eve of the first anniversary of Collor's inauguration, General Agenor Homem de Carvalho, the president's military chief of staff, was worried about the traditional Friday descent of the Planalto ramp. Not only had the school vacation period ended, which meant fewer tourists were in town, but also the number of spectators attending the ceremony had been declining in recent weeks. To a government that takes such pains with its image, it is unpleasant to observe that the enthusiasm over the processions down the ramp is waning.

As Collor completes one year in office on Friday, his problem is not one of image, but of government. Gen. Homem de Carvalho ordered an adviser to telephone Fabio Simao, Brasilia Governor Joaquim Roriz's chief of staff. The adviser asked Simao to find some buses and mobilize community leaders in the capital city in order to bring more people out to watch the president leave Planalto Palace. The idea did not work out. Last Friday, there were no more than 350 people in the audience; there had been double that number on the previous Friday. When interest was at its peak, thousands had waited to applaud as the president passed. This coming Friday, a new effort will probably be made to attract a larger public. Security will also be tighter, since the United Confederation of Workers has promised to stage protest demonstrations throughout the country to mark Collor's first anniversary in Planalto Palace.

Business a Target

An opinion poll taken by MSC [expansion not given] exclusively for VEJA shows that the approval rating for the first year of the president's five-year term is negative (see tables). The survey was taken in 12 state capitals between 26 February and 2 March. A total of 2,581 respondents were interviewed at home. MSC introduced a methodological innovation in order to find out what lies behind the "so-so" rating category customarily used by institutions that measure the vagaries of public opinion. So, every time the respondent said that his or her opinion concerning the government was neutral, the interviewer pressed the point, to find out whether that neutrality came closer to a positive or a negative opinion. Only if the respondent persisted in his evaluation did the answer go into the "neutral" category. "We did not draw conclusions, because we did not force the evaluation toward either the positive or the negative side," explained Antonio Carlos da Silva, director of MSC. "We simply wanted to see whether the neutral respondents were even minimally in favor of, or disapproving of, the government's performance."

Evaluation of the Collor Administration

Negative	57.7%
Positive	35.0%
Neutral	7.3%

Poll taken by MSC between 26 February and 2 March, in 12 state capitals, and 2,581 respondents were interviewed at home.

The poll, which also checked into the public's expectations regarding the 12 governors, shows that 57.7 percent of the residents in the state capitals do not like the government, 47 percent think their economic status has worsened since Collor's inauguration, 60 percent do not believe that the president is keeping his campaign promises, and 70.7 percent do not think he is helping the neediest people. If last year's presidential election were repeated today, 11.6 percent would vote for Collor and 23 percent for Lula—but no fewer than 65.4 percent would cast blank, or void, ballots. This means that although Collor did poorly in the poll, Lula does not appear in the results as the name that would galvanize the opposition, and there is disenchantment and despair among the majority. The only groups that did worse in the MSC inquest were Congress and the businessmen—the former because that is where the politicians work and that occupational group has been held in low regard for a long time; the latter perhaps because the business community has repeatedly been the administration's favorite target, at least rhetorically, during its first year. The government attacks the businessmen and fights with Congress while from the stands, the public boos all three. What we are seeing is a national misunderstanding.

Percentage of Respondents Agreeing With Certain Statements

	Yes	No	Don't Know
The president is fulfilling his campaign promises	23.6	60.1	16.3
The president is helping the neediest	18.2	70.7	11.1
The president has abolished special privileges	39.8	43.9	16.3
The Congress defends the public against the excesses of the administration	22.5	57.9	19.6
The Congress is only worried about guaranteeing special privileges for the politicians	67.8	19.8	12.4
The businessmen and the elite do not want to end inflation	79.0	13.5	7.5
Businessmen are only concerned about boosting their profits	88.8	7.1	4.1

Expectations Regarding Performance of New Governor

Will probably do a good job	45.2%
I am sure he will do a good job	30.7%
I do not believe he will do a good job	15.1%
I am sure he will not do a good job	8.6%
No expectation	0.4

A comparison between the objectives that Collor announced at the beginning of his term and his achievements after a year shows that his results are far below what he anticipated (see box). Pitting figures against figures, principally in the areas of social policy and income, shows the results to be zero—or even negative. The goal was to invest $3 billion a year in basic sanitation projects, but only half that sum was spent in 1990. Gross domestic product [GDP] was to rise from $352 billion in 1989 to $517 in 1994, exhibiting a growth of 47 percent, but last year the GDP fell by 4 percent. In the president's dreams, per capita GDP would climb by 34 percent in five years, but it fell by 8 percent in the first year. On the question of agrarian reform, Collor had planned to settle a half million families in rural areas during the course of his term of office, but did not expropriate any rural property during his first year. "Last year was spent cleaning house," explained Antonio Cabrera, minister of agriculture and responsible for the agrarian reform program. The IBGE [Brazilian Institute of Geography and Statistics] has just completed a survey of wages in 1990, the year in which the house was supposedly being cleaned. The survey concluded that last December, in the six largest Brazilian state capitals, wage purchasing power was one-third lower than it was a year earlier.

Economic Status of the Respondent After One Year

Worse	47.0%
Unchanged	38.2%
Improved	13.7%
No Response	1.1%

15 March

One has only to travel around the country: things are just as they were 10 years ago. More people are unemployed, there is a recession, public services have deteriorated, there is a shortage of houses and schools, but basically, Brazil is still the same. If there is a shocking contrast between Collor's goals and promises when he took office and the reality of the Brazil that one sees in the streets, it is because people thought it would be relatively easy to change this country. That sweet illusion is beginning to take on a bitter taste. The illusion included the belief that the "tiger" could be killed by a single well-aimed shot, the assumption that privatizing is as easy as selling grilled steak at the end of a soccer game, and the crazy notion that international capital had stocked up tons of dollars to invest in Brazil as soon as Collor ascended the ramp.

Reason Why Inflation Has Risen

The president has not used a firm hand	22%
Businessmen are sabotaging the president	37%
The economic team is incompetent	25%
Congress is not cooperating	33%
Other reasons	15%
No response	6%

Result

Inflation rose, and along came another plan. It was impossible to privatize, and foreign investors are still looking askance at Brazil, waiting for something resembling economic stabilization, a situation in which the rules of the game do not change daily—and we use that word advisedly. As of last Friday, over the course of its 246 working days, the administration had published 866 decrees and sent 147 provisional measures and 85 messages to Congress. In addition, the president has donned three military uniforms, three civilian uniforms, and 18 T-shirts bearing different messages.

The disparity between the promises and optimistic views coming out of Brasilia and the size of the can of worms that represents the Brazilian crisis has persisted for months. At the beginning of his term, Collor was still behaving like a candidate and his team, reflecting this, gave the impression that it would be very easy to put the country back on track. It was only when reality stubbornly insisted on being real that governmental arrogance faded. "When we were getting ready to take over the government, we did not have an accurate picture of the size of the crisis," admits Joao Maia, executive secretary in the economy secretariat. Not every venture during Collor's first year was a failure. Antonio Kandir, special secretary for economic policy, lists a series of positive developments. He says that the ghost of hyperinflation has been banished, the government has recovered its ability to conduct fiscal and monetary policy, the economy has been deindexed, administrative reforms are rationalizing the structure of the state, the country has been opened up to foreign competition, progress has been made in the direction of deregulation, and the foundations for industrial development have been laid. "A cultural change has taken place in Brazil," concludes Kandir.

Head vs. Heart

A change has in fact occurred. With his speeches against the monopolies, the privileges, the subsidies, the mammoth state apparatus—sermons in which he preached freedom of competition and private enterprise—the president has changed the context of debate in Brazil. Some weeks ago, for example, Minister Zelia Cardoso de Mello said that, in principle, she is in favor of privatizing Petrobras [Brazilian Petroleum Corporation]—yet she was not denounced as an "entreguista" [someone who would hand Brazil over to foreigners]. No one who advocates allowing multinationals to set up shop in Brazil is being accused of being a lackey of Yankee imperialism. Nor is anyone arguing that instead of firing people, the government should hire a few thousand more civil servants. Collor's rhetoric, his intransigent defense of those healthy principles, has helped banish myths and opened up the debate on solutions to the country's problems.

The biggest problem is that this line of reasoning does not stop there. At other points in his rhetoric, the administration takes the opposite tack, carrying the paradox into the terrain of its actions, of its specific measures. It is hard to understand how one can try to attract foreign manufacturers while at the same time harassing Autolatina, or sing the praises of the free market while ordering a freeze, or urge an end to government intervention in the economy on the same day as you confiscate funds deposited in savings and checking accounts.

Rio de Janeiro Deputy Francisco Dornelles, of the PFL [Liberal Front Party], hazarded a psychological interpretation for this disparity between the words and actions of the administration, focusing primarily on the zigzag course followed by the economic team. Dornelles sees Zelia and her team as suffering from a conflict between reason and emotion. "Their rational side is liberal and modern, but their hearts are nationalizing, interventionist, socializing, and freeloading," says the congressman. Dornelles cites as proof of the conflict between head and heart the fact that the economic team has criticized the multinationals and the private schools "with terrifying vehemence and enthusiasm," but that "when it comes time to privatize, they take advantage of the slightest shadow of a doubt to let their hearts take over and interrupt the process."

Four Stages

Deputy Roberto Campos of the PDS [Social Democratic Party] harps on the same theme—the paradox between words and actions, the battle of heart against the head, or maybe just utter confusion. He has identified four stages into which Collor's first year can be divided. In his first incarnation, according to Campos, Collor—some days prior to his inauguration—was advocating a market economy, liberalization, and the breakup of cartels. In the second stage, embodied in Collor Plan I, the president chose the wrong instruments for putting his liberalizing proposals into practice: "The state intervened in the economy in order to confiscate financial assets." In the third stage identified by the congressman, Collor tried to go back and pick up his original train of thought, by arranging for the administrative reform, trying to privatize, and announcing measures to deregulate the economy. In Collor Plan II, the fourth and latest stage, the president has relapsed into interventionism by freezing prices and, once again, confiscating financial assets by creating the Fundao. "All those measures signal a major internal contradiction in the government," says Roberto Campos. "Those actions sound like a capitalist mass celebrated by socialist priests."

Now, according to the former minister, the administration is at a crossroads: it must choose between a government-directed economy or a centralist approach. These observations are interesting not only because of their content, but also because of their source. Dornelles is from the PFL—a party that, as far as anyone knows, supports the government. In fact, Minister of Education Carlos Chiarelli is a member of the top echelon of the PFL. And Campos, in turn, comes from the ranks of the PDS, a party represented at the senior government level by Minister of Justice Jarbas Passarinho. Meanwhile, PDT [Democratic Worker's Party] Deputy Cesar Maia, attacked and then immediately seconded by Leonel Brizola, generously praised Zelia Cardoso de Mello. Relations between the president and Congress, with the political parties, were chaotic during the first year owing to a structural problem that has its roots in the very nature of Collor's candidacy.

As a representative of the PRN [National Reconstruction Party], a tiny party created only so he could get his name on the ballot, Collor presented himself to the electorate as a candidate who opposed politicians and

political parties. He received more votes than anyone in the history of Brazil—but the problem is, one cannot govern with the voters. His 35 million voters do not pass laws or approve provisional measures in Brasilia, nor do they give press conferences in which they hurl stinging comments to infuriate Planalto Palace. The ones who do this are the legislators, the politicians, and the parties. The president has been unable to forge any durable alliance in his relations with the politicians. He continues to govern in a vacuum. Congress, although perhaps not hostile to him, is not the least bit interested in providing him with any solid support. In the political arena too, there are paradoxes between rhetoric and actions. The president wants a dialogue with the Congress, at the same time as he continues to turn out one provisional measure after another. He dreams of a national understanding, but leaves the political parties out of it. He wants to get the PSDB [Brazilian Social Democratic Party] on his side, but his ministers make jokes about the "tucanos" in the press.

Applied to the internal realm of the government and to its nebulous periphery, the president's system of political tactics sometimes slips into ridiculous rumormongering. This first year saw a romance between Zelia and Bernardo Cabral, a clash between Zelia and Cabrera, Passarinho's fits of sulkiness towards Zelia, clashes between Minister Ozires Silva and his department heads, feuds between the president's brother Leopoldo Collor and businessman PC Farias, the precarious situation in which Banco do Brasil President Alberto Policaro finds himself, the complaints by Romeu Tuma about interference in his bailiwick, unanimous recognition that Margarida Procopio, Marcos Coimbra, Antonio Magri and Carlos Chiarelli would not be missed at all, etc., etc.

How has the president's image as a sportsman affected your opinion of him?

Makes no difference	59.3%
Unfavorably	26.9%
Favorably	12.1%
No response	1.7%

Sportsman and Reformist

Even with these political problems of internal maneuvering and his troublesome relations with Congress, Collor has authority over his team and the Congress. More important, he has restored an authority to the presidency that had been missing from Planalto Palace for 10 years. During the administration of Joao Figueiredo (who was also a sportsman and reformist during his first year in office), there came a time in the crisis when the president no longer stood for much of anything; he said he was in favor of direct elections, yet that same week set the stage for continuism. During the Sarney government, once the backing he had inherited evaporated with the death of Tancredo Neves, the president represented neither the military or the forces behind the campaign for direct elections. So far, Collor has not hesitated to assume full responsibility for the actions of the government. One gets the impression that there is someone in charge in this country, even if the results of the first year have not been as promised. It is by those results, however, that Collor is being and will be judged by the Brazilian public. There are no illusions or magic tricks that can make the national crisis disappear from one moment to the next. Not even at the end of his term will Collor have resolved the majority of Brazil's problems. The most he can do is to set them on the road toward solution by stabilizing the economy, attacking the most egregious defects in society, and instilling confidence in the country.

[Box p 21]

Balance Sheet for the Year

What was promised: Inflation would be cut to 10 percent per month during the administration's first 100 days.
The situation today: Collor took office when the rate was 84 percent a month and brought it down to 3 percent. The inflation rate climbed month by month during the year, reached 20 percent in January, and the government announced a new shock treatment. The March rate is forecast at 8 or 9 percent.

What was promised: Minimum wage would be tripled by the end of the president's term of office.
The situation today: He took office when the minimum wage was equivalent to $98. Were the wage to rise steadily to triple that level, it should be equivalent to $122 today. It fell to $72 in February, almost half the goal. Congress raised the minimum to $76 in March.

What was promised: Dismissal or layoff of 360,000 public servants.
The situation today: Some 112,000 were fired, 37,000 retired, and another 55,000 placed in reserve status, a system under which they earn without working. When Collor took office, the payroll consumed 93 percent of federal government revenues. Today, it consumes 73 percent.

What was promised: State corporations would be privatized at the rate of one a month.
The situation today: Of the 214 government companies, 17 have been abolished, or are in the process of being abolished. Only one—tiny Cobrap [expansion not given], which makes steel products—has been privatized. Twenty more are in the process of being privatized. The government promises to sell four of them by April.

What was promised: Inflation would be defeated without causing unemployment.
The situation today: According to the IBGE, the average unemployment rate was 4.3 percent of the economically active population, a level exceeded only during the recession of the early 1980's. Unemployment reached 5.2 percent in January 1991, when it is estimated that

about 1 million people were looking for registered jobs in the six largest state capitals, 70 percent more than in January 1990.

What was promised: The mansions in Brasilia and the official cars would be sold.
The situation today: Of the 4,800 representational vehicles owned by the government, 4,700 were sold. There were 32 aircraft, including two business jets. Five airplanes and the two jets were sold. The others are to be auctioned off shortly. Of the 37 mansions in Brasilia, 35 have been sold. There were 20,000 employee apartments, and 9,000 are being sold. The government has already received 12 billion cruzeiros from the sales.

What was promised: The deficit would be brought down to zero in 1990.
The situation today: In 1990, the government obtained a surplus of 0.5 percent. On the other hand, many of its suppliers and domestic creditors are not being paid.

Rio Grande do Sul Police Seize Counterfeit Bills

PY2703155491 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 27 Mar 91

[Text] Rio Grande do Sul civilian police have seized $3,000 in counterfeit bills in Ibiruba, 251 km from Porto Alegre. The counterfeit bills were seized on 25 March. The money was in the possession of a businessman whose name is being withheld by the federal police. According to Renato Porciuncula, Federal Police delegate in Santo Angelo, while the three men involved in the illegal activity are being detained, the counterfeit bills are being analyzed at the Crime Institute in Brasilia.

The initial report said that the individuals who were arrested with the counterfeit bills stated that they had acquired it in Uruguay. Police suspect, however, that the bills are from Colombia. Inspector Porciuncula said the quality of the counterfeiting was good, but he refused to comment further because the investigation is continuing.

Chile

Pinochet Delivers Army Response to Rettig Report

PY2803004291 Santiago Radio Cooperativa Network in Spanish 0002 GMT 28 Mar 91

[Live report from the main hall of the Army School]

[Text] We are reporting from the main hall of the Army School where General Augusto Pinochet, the Army commander in chief, is reading the Army's answer to the Truth and Reconciliation Commission report.

In one of its opening paragraphs, the Army response states that it is obvious that the task entrusted to the commission, that is, to investigate reports of alleged violations of human rights, could hardly be accomplished to the point of truthfully reflecting what really happened in the country even within the limited span of history to which it was restricted because of the brief time available to the commission to accomplish this task with human resources untrained in the examination of complex matters, the part-time dedication of its members as is acknowledged in the report itself, the delegation of questioning sessions to personnel of a state secretariat who were not members of the commission, the publicly stated position of several commission members who are against national defense institutions, and finally the examination of biased and unilateral versions of the events.

Gen. Pinochet's speech on the report of the Truth and Reconciliation Commission adds that the contents of this report reveal an unforgivable ignorance of the true causes for the effort of national reconstruction that was launched on 11 September 1973. The Army adds that it has been proved, as will be explained later on, that the commission has overstepped its jurisdiction and the rules and regulations of the nation and the state of right by going beyond fact-finding into the realm of pointing out those responsible.

Navy Releases Statement Critical of Rettig Report

PY2803014991 Santiago Radio Cooperativa Network in Spanish 2300 GMT 27 Mar 91

[Text] Through its commander Admiral Jorge Martinez Bush, the Chilean Navy said tonight that the Truth and Reconciliation Commission report does not fulfill the objective of becoming a final and decisive judgement for social peace, reconciliation, and coexistance among Chileans.

This is the Navy's official position on the Rettig Report. The 22-page Navy document emphasizes the great effort made by the commission but points out that several omissions were made and that it is difficult to agree with the report's conclusions and recommendations.

[Begin Martinez recording] The lack of a trustworthy and bilateral procedure in the appraisals, judgments, and conclusions of the report distort the process in such a way that the judgment or truth it wants to convey are nothing more than a simple opinion which can be shared or rejected. The document released to the public by the Rettig commission and evaluated by the Navy reports the results of an investigation and is presented as a final and decisive judgement for social peace, reconciliation, and coexistance among Chileans.

In other words, this report should be the document in which the people, the countries of the world, and international organizations should have faith. Due to its lack of substance, however, the commission's report does not fulfill that objective. [end recording]

The Navy statement also criticizes the historic framework considered in the Rettig Report and labels the part on the participation of the courts during the military regime particularly serious.

The document read by Admiral Martinez Bush also reiterates that the Armed Forces believe that Chile was experiencing a war after 11 September 1973 and that this position has legal, doctrinaire, and practical bases.

The Navy believes that Rettig Report recommendations lack any justification and that the references to teaching the Armed Forces respect for human rights are out of place. Adm. Martinez concluded by saying that the Navy wants this to be its final statement on this issue and that the Navy's efforts are aimed at cooperating with the great tasks currently demanded by Chile.

Commander on Council Meeting

PY2803035691 Santiago Radio Nacional de Chile Network in Spanish 0056 GMT 28 Mar 91

[Excerpts] As we already reported, the Navy was very critical of the Rettig Report, saying that it has unjust conclusions and makes improper recommendations to the Armed Forces as if they knew nothing about human rights. We have a report from the Navy headquarters.

[Begin recording] [passage omitted] [Reporter] After Admiral Martinez Bush read the Navy statement he answered questions from reporters, especially on the meeting of the National Security Council, specifically his meeting with President Patricio Aylwin.

[Martinez] The National Security Council meeting was very important because it allowed the Council members to discuss with great respect and attention the national issues which are creating concern. A spirit of rapprochement in support of the great interests of the country emerged from this meeting. I believe that national unity begins with a frank understanding of the different points of view. I have no doubt that the frankness in speaking about them is synonymous with better understanding. More importantly it shows the will for a joint effort to achieve unity a reality.

[Reporter] [Question indistinct]?

[Martinez] The Navy has maintained the best relations with the government officials, with the defense minister, the president, and with the other ministers. I would like to answer your question by saying that there has been no change. On the contrary, I am under the impression that communication has always been fluid and that it will always be fluid, as it should be among people who are Chileans to the core. [end recording]

Public Works Gets IDB, World Bank Loans

PY2703141291 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 27 Mar 91

[Text] Public Works Minister Carlos Hurtado reported in a news conference this morning that the Inter-American Development Bank [IDB] has approved a $246 million loan to Chile. This loan is regarded as the most important ever granted to the Public Works Ministry.

Hurtado also commented on his recent trip to the United States. He viewed this trip as highly positive and added that credits to implement programs on drinking water and sewer systems are being considered by the IDB.

As for loans to be granted by international financial agencies in the next 10 years, Hurtado said the World Bank has approved a $100-million loan to implement port and infrastructure programs. Meanwhile, Japanese banks are considering the possibility of granting a $120 million loan for irrigation projects and for the public works, agriculture, and private sectors. The IDB is also expected to grant $300 million for urban road projects, Hurtado added.

Investigative Police Seize Counterfeit Dollars

PY2703185791 Santiago Radio Chilena Network in Spanish 1700 GMT 27 Mar 91

[Text] Investigative Police Fraud Squad personnel have arrested the members of a gang who counterfeited $1.26 million in $100 bills.

The detainees have been identified as Lino Alfredo Guerrero, 59, Victor Antonio Troncoso, 45, Hector Domingo Saldana, 54, and Sergio Sigfrido Alvarez, 40. The police have reported that these individuals, who also planned the operation, all work in graphic arts.

During the middle of 1990, Guerrero contacted an individual who acted as a financial agent for the operation. The negatives and sheets were prepared and finally the bills were printed. The police have reported that they were ready to be released on the financial market. According to experts the bills only lacked serial numbers. The detainees have been placed at the disposal of the Santiago criminal court. The police recovered $1.26 millions in $100 bills, equivalent to 434 million pesos.

Another Arrest in Real State Scandal Case

PY2603192591 Santiago Radio Cooperativa Network in Spanish 2300 GMT 25 Mar 91

[Text] Criminal Court Judge (Dora Ludici) this afternoon ordered the arrest of (Mauricio Tocornal Bizco). He is one of the partners of the (IGTP) company and he was in charge of purchasing the property that was used as a detention center by the now defunct Dina [National Intelligence Directorate] and the CNI [National Intelligence Center]. This is the fourth detainee in the case that is investigating presumed irregularities in the illegal sale of that property.

Hugo Salas Wenzel, a retired Army general and former CNI director, his sister Rosa, and his brother-in-law Alfredo Gonzalez Leiva are already under arrest. According to the suit filed by the State Defense Council, the detainees have violated Article 240 of the Penal Code, which punishes public employees who engage in financial operations that may benefit their relatives.

Lawyer Fernando Uribe Echeverria, who sponsors the defense of Gen. Salas Wenzel, said he was confident that his client will be released soon because the properties were sold after a delay of eight months during which no one was interested in purchasing them. It was for this reason that the Army contracted the (IGTP) enterprise. The general's sister, his wife, and other relatives are shareholders in this enterprise.

The judge also made a 15-minute visit to the Villa Grimaldi properties to verify testimonies by witnesses and by the accused, and to see the sale documents.

Colombia

CNG Announces Truce for Week Following Easter

PA2703161991 Madrid EFE in Spanish 0630 GMT 27 Mar 91

[Text] Popayan (Colombia), 26 Mar (EFE)—The Colombian National Guerrilla Coordinating Board [CNG] has announced the suspension of attacks and armed action during the week following Easter, the bishop of Popayan, Alberto Giraldo Jaramillo, announced today.

Giraldo, who is vice president of the Colombian Episcopal Conference, has said that the CNG, which is comprised of the Revolutionary Armed Forces of Colombia and the National Liberation Army, has sent him a message from the Cauca Department mountain region, 400 km southwest of Bogota. The message includes the guerrilla commitment to cease hostilities during the week after Easter.

In the letter, the CNG urges the government of President Cesar Gaviria to maintain the peace dialogue intended to definitely end the hostilities throughout the country.

The bishop said that the CNG "promised to unilaterally declare a cease-fire, a time of peace during the holy week, and, at the same time, to try to have the government listen to the groups that are in Cauca."

The guerrilla communique was made known one day after the Popayan Pro-Holy Week Permanent Junta, which is organizing traditional religious activities in the capital of Cauca Department, requested the suspension of guerrilla activities during the period "as a demonstration of a true will for peace."

The CNG, which has accepted, in principle, talking with government delegates, has not suspended attacks on towns, buses and trucks, and oil and electrical power objectives that it began to carry out throughout the country in December 1990.

Progress of Constituent Assembly Commissions

PA2703222591 Bogota EL TIEMPO in Spanish 23 Mar 91 pp 1A, 7A

[Excerpts] [Passage omitted] The five Constituent Assembly commissions decided not to hold formal sessions during Easter week because, among other reasons, most of the reports that must be submitted to the commissions are ahead of schedule. However, there will be work done outside the Assembly. For example, the M-19 [the 19 April Movement] bloc will travel to Santa Marta on 25-27 March to review the work done in the Assembly. [passage omitted]

First Commission

The four subcommittees making up the first commission have agreed on at least 60 percent of the topics that have been discussed.

An agreement was reached on the preamble and overall principles. Commission members Jaime Ortiz, Misael Pastrana, Francisco Rojas, Alberto Zalamea, and Alvaro Leyva finished drafting the first 16 articles.

The proposed preamble includes the name of God as protector, as the "basis of human dignity and source of life and authority for the common good."

A new chapter, dedicated to the overall principles of the new constitution, clearly established that the "Colombian nation will be a state of law, constituted as a unitarian, civilian, social democratic, decentralized, participatory, and pluralist republic, based on the common solidarity of all families and individuals that comprise it, and where the general interest prevails."

Second Commission

The second commission will begin to discuss reports on Tuesday, 2 April, when all its members will meet again to review the reports on the different topics presented by the members.

Second Commission President Juan Gomez Martinez finished his report on the jurisdiction of regions, and it will be one of the first to be reviewed on 2 April.

Among others, reports on the jurisdiction of Bogota, drafted by Jaime Castro; the metropolitan areas, drafted by Hector Pineda; and the provinces and municipality associations, drafted by Orlando Fals Borda, are ahead of schedule.

Third Commission

One of the commissions that has disclosed the work it has done most rapidly is the third commission, the subcommittees of which have already drafted the reports that will be discussed by the commission during the first week of April.

Among other topics, a consensus has been reached on the extension of the presidential and senate's term to five

years and that of the mayors, councilmen, assembly members, and governors to three years, the implementation of the double round to elect a president, the motion of censure for ministers, dual nationality, the bill on the incompetence for congressmen, and the configuration of the government's structure, composed of three branches and three bodies of power.

Fourth Commission

The fourth commission, which is in charge of judicial affairs, is working with four subcommittees in drafting reports. Up until now it has listened to Supreme Court President Pablo Caceres, Council of State President Consuelo Sarria, Attorney General Carlos Gustavo Arrieta, three magistrates from the Disciplinary Tribunal or super court, and former government adviser Guillermo Benavides Melo, national director of judicial careers.

The first official reports will be made known after Easter.

Fifth Commission

The most significant progress made by the fifth commission, the economic commission, has to do with the consensus to dismantle the Monetary Board and give the Bank of the Republic [Banco de la Republica] the authority to issue guidelines on the country's fiscal and monetary policies.

Most members of the commission agree to have the issuing bank handle these responsibilities, as called for by the government plan. The Bank of the Republic manager would be appointed by the board of directors, which would be composed of seven members and would carry out its duties for a period of five years.

Finance Minister Rudolf Hommes, who was invited to the Constituent Assembly to give the government's opinions on the different aspects of handling the economy, said it would be dangerous to leave in the hands of Congress the initiative to decide on the public expenditures, but it would be a good opportunity to strengthen the legislative role in matters dealing with cuts or increases in the country's budget.

Peru

Monopolies by State Companies Ended by Decree

PY2803032491 Lima RTP Television Network in Spanish 1800 GMT 27 Mar 91

[Live relay by reporter Lucho Sotomayor at Lima Arms Square]

[Text] It is exactly 1352. We want to report on President Fujimori's agenda for today. Early today he held separate meetings with the ministers of industry, commerce, tourism, and integration, transport and communications, and labor.

Today at 1900 the Council of Ministers will hold its weekly meeting. The usual Friday session has thus been scheduled for today because of the Friday holiday, that is, Holy Friday.

Today the official gazette published, over the signature of the president of the Republic and the corresponding ministers, Supreme Decree No. 067 which abolishes the monopolies by state companies. Thus, state companies will compete with the private sector. Tax exemptions of any kind, be they national or regional, are also canceled.

The decree affects the following companies: the Mining Bank; Siderperu [Peruvian Iron and Steel Enterprise]; Enafer [National Railway Enterprise]; the Salt Company [Empresa de la Sal]; Enci [National Enterprise for Industrial Marketing]; Ecasa [Rice Marketing Enterprise]; the Peruvian Reinsurance Company [La Reaseguradora Peruana]; the Agrarian Bank, the National Tobacco Company; Pescaperu [State Fishmeal and Fish Oil Production Agency]; Andina News Agency; and Peruvian Radio and Television, RTP, our television channel.

Another decree abolishes the state companies' exclusive right to import food. This decree specifically refers to Enci.

As of today another decree allows individuals and companies to freely possess and use foreign currency, either domestically or abroad. The exchange rate will be set by the supply and demand.

These were the decrees published in the official gazette. The black market dollar exchange rate for today is 550,000 intis to buy and 560,000 to sell.

Minister on Review of Fishing Deal With USSR

PY2703221291 Lima RTP Television Network in Spanish 1800 GMT 27 Mar 91

[Interview with Fishing Minister Felix Canal Torres by (Patricia Von) during the "60 Minutes" program, from RTP studios—live]

[Excerpt] [Passage omitted] [(Von)] Before ending this interview, I would like to ask you about the negotiations with Sevribas [Soviet fishing company] and the fishing agreement with the Soviet Union. Are they over? Is this agreement good or bad for the country?

[Canal] We have extensively reviewed the contract between Sevribas and EPSEP [Peruvian Fishing Services Enterprise] with the Soviet Fishing Ministry representatives, and we have presented our claim because we consider that Peru has not received the anticipated benefits. We have a claim estimated at $22 million. We have calculated our claim based on an annual yield of 70,000 tons of fish which has not been paid for.

[(Von)] What did the company say?

[Canal] Well, they listened to our claims.

[(Von)] But they did not give you a concrete answer.

[Caral] No, they did not give us a concrete answer.

[(Von)] They should pay for it because it is part of the agreement.

[Canal] Well, we found out that Peru has lost out over this deal so far.

[(Von)] Must the contract be renegotiated?

[Canal] I definitely think that the contract terms must be changed.

[(Von)] The government intends to do so.

[Canal] Certainly, and the Soviet representatives have expressed their wish to....

[(Von)], interrupting] When do you think the contract will be revised?

[Canal] Well, I think that we must first establish a totally new set of rules, such as the payment of taxes, and include their ships as part of the guarantee to comply with any obligation. We consider that the 20 Soviet ships have operated inefficiently. We consider that when we operated with 10 ships we reached the best level of efficiency. Based on these facts, we must substantially modify the contracts.

[(Von)] Thank you for joining us in "60 Minutes."

[Canal] Thank you, and I hope that the whole community will eat fish during Holy Week, as is our tradition.

[(Von)] At the prices you mentioned, and with scad at 200 intis per kilo, I think everyone will....

[Canal, interrupting] We are implementing a program to allow people to eat, for free, our fish in the main coastal cities of Peru. This program is being carried out by EPSEP and Pescaperu [State Fish Meat and State Oil Production Agency] for Holy Week.

[(Von)] Thank you again.

PRC Donates Medicine, Anti-Cholera Vaccines

PY2703155891 Lima RTP Television Network in Spanish 1100 GMT 27 Mar 91

[Text] The PRC has donated medicine worth $650,000 and 50,000 doses of anti-cholera vaccine. PRC Ambassador to Peru Dai Shiqi will deliver this important donation to the Caritas central warehouse in El Callao at 1000 this morning.

Uruguay

Defense Ministry Reports Personnel Figures

PY2603153291 Montevideo BUSQUEDA in Spanish 21 Mar 91 p 12

[Summary] According to the Defense Ministry's annual report, the Armed Forces had 32,266 personnel in October 1990. Of this number, 27,838 belonged to the lower ranks, 3,819 to higher ranks, 67 to the reserves, and 542 were reinstated personnel. In March 1990, the total number of Armed Forces personnel was 32,402.

Venezuela

Technical Agreement Signed With Equatorial Guinea

PA2703235391 Caracas Venezolana de Television Canal 8 in Spanish 0030 GMT 26 Mar 91

[Text] Venezuela and Equatorial Guinea have signed a technical assistance agreement concerning oil exploration. This agreement will allow Venezuela to help this African country train personnel in areas such as exploitation, refining, and marketing.

[Begin recording] [Equatorial Guinean Energy Minister Olo Mba] We had an agreement with Spain, but the project was not economically viable for them. Spain abandoned the project, so efforts were made to reach an agreement with the U.S. company Walter International. It will exploit the Alba deposits.

[Venezuelan Energy and Mines Minister Calestino Armas] What Equatorial Guinea is requesting and what we will provide is support so that they can train their personnel to supervise and check all exploration activities that will take place there. This does not rule out future possibilities of giving other types of assistance in areas that they may feel are necessary. [end recording]